

Charity Registration No. 1163037

Company Registration No. 08733254 (England and Wales)

THE MWEZI FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

THE MWEZI FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Hamblin C Paye H Jackson
Secretary	C Paye
Charity number	1163037
Company number	08733254
Principal address	12 Vicarage Road Henley-On-Thames Oxfordshire United Kingdom RG9 1HJ
Registered office	12 Vicarage Road Henley-On-Thames Oxfordshire United Kingdom RG9 1HJ
Independent examiner	Mr Mark Jackson FCA DChA Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire United Kingdom PE1 2SP
Bankers	Lloyds Bank 15 Blackheath Village Blackheath London United Kingdom SE3 9LH

THE MWEZI FOUNDATION

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THE MWEZI FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 OCTOBER 2021

The trustees present their report and financial statements for the year ended 31 October 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The charity's objects were changed by Special Resolution dated 7 July 2015 to the following:

1. To relieve poverty through facilitating the provision of solar energy to those in need in Kenya, Sierra Leone or anywhere else in the world that the trustees decide.

1. To advance the education of the public in matters relating to solar energy, climate change and the protection of the environment and to carry out and disseminate the results of research into all aspects of energy production, distribution, supply and use.

The trustees have presented the distribution and supply and use of the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Financial review

This was the seventh full year of the charity's activities. During this year the charity's work was severely disrupted by the effects of the COVID-19 pandemic which meant that the schools supported by the charity in Kenya were closed for 7 months of the year. It was not possible to deliver any lights from late March until nearly the end of the year. However, our workshop continued to manufacture solar lights and, as soon as the schools re-opened, our Schools Managers visited almost all of our schools to audit the existing lights and re-supply the schools with more lights.

We were also very fortunate to receive some substantial financial donations this year which have enabled the Trustees to plan to expand the number of schools that we will support next year.

It was not possible for any of the Trustees to travel to Kenya during the year, due to COVID-19 restrictions. It is hoped that at least one Trustee will be able to visit our workshop and schools in the coming year.

The charity's bankers are now Lloyds Bank.

During the year the charity raised £43,948 in donations and other income.

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

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

Structure, governance and management

The charity is a company limited by guarantee. The charity was registered with the Charity's Commission on 6 August 2015.

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

M Hamblin

C Paye

H Jackson

THE MWEZI FOUNDATION

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

FOR THE YEAR ENDED 31 OCTOBER 2021

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Details of organisational structure: during the period there were three trustee directors who fulfilled the roles of Chairman and Treasurer.

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

M Hamblin

Trustee

Dated: 28 July 2022

THE MWEZI FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MWEZI FOUNDATION

I report to the trustees on my examination of the financial statements of The Mwezi Foundation (the charity) for the year ended 31 October 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Azets

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP
United Kingdom

Dated: 29 July 2022

THE MWEZI FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	43,948	-	43,948	44,244	10,000	54,244
Other trading activities	4	-	-	-	75	-	75
Investments	5	1	-	1	11	-	11
Total income		<u>43,949</u>	<u>-</u>	<u>43,949</u>	<u>44,330</u>	<u>10,000</u>	<u>54,330</u>
Expenditure on:							
Charitable activities	6	<u>28,443</u>	<u>2,783</u>	<u>31,226</u>	<u>18,610</u>	<u>2,011</u>	<u>20,621</u>
Net income/(expenditure) for the year/							
Net movement in funds		15,506	(2,783)	12,723	25,720	7,989	33,709
Fund balances at 1 November 2020		<u>28,524</u>	<u>7,989</u>	<u>36,513</u>	<u>2,804</u>	<u>-</u>	<u>2,804</u>
Fund balances at 31 October 2021		<u><u>44,030</u></u>	<u><u>5,206</u></u>	<u><u>49,236</u></u>	<u><u>28,524</u></u>	<u><u>7,989</u></u>	<u><u>36,513</u></u>

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

All income and expenditure derive from continuing activities.

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

THE MWEZI FOUNDATION

BALANCE SHEET

AS AT 31 OCTOBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	11	149		969	
Cash at bank and in hand		49,597		36,024	
		<u>49,746</u>		<u>36,993</u>	
Creditors: amounts falling due within one year	12	(510)		(480)	
Net current assets			49,236		36,513
			<u>49,236</u>		<u>36,513</u>
Income funds					
Restricted funds	13		5,206		7,989
Unrestricted funds			44,030		28,524
			<u>49,236</u>		<u>36,513</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 October 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the Trustees on 28 July 2022

M Hamblin

Trustee

Company Registration No. 08733254

THE MWEZI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

Charity information

The Mwezi Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 12 Vicarage Road, Henley-On-Thames, Oxfordshire, RG9 1HJ, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 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 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 Income

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 MWEZI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

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

Costs are allocated, where possible, directly to the activity. Where the cost is not directly attributable it is allocated by informed management's best estimate of the activities undertaken.

1.6 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.

1.7 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.

THE MWEZI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2021 £	2021 £	2021 £	2020 £
Donations and gifts	43,948	-	43,948	54,244
For the year ended 31 October 2020	44,244	10,000		54,244

4 Other trading activities

	2021 £	2020 £
Sale of solar lights and handicrafts	-	75

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	1	11

THE MWEZI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

6 Charitable activities

	2021 £	2020 £
Provision of lighting	2,783	2,011
Bank charges	158	154
Subcontractors	7,588	6,715
Components	9,840	6,930
Freight and transport costs	8,354	1,602
Permits and duties	168	76
Rent	805	905
Miscellaneous expenditure	820	127
Legal costs	-	1,621
Professional service	200	-
	<u>30,716</u>	<u>20,141</u>
Share of governance costs (see note 7)	510	480
	<u>31,226</u>	<u>20,621</u>
Analysis by fund		
Unrestricted funds	28,443	18,610
Restricted funds	2,783	2,011
	<u>31,226</u>	<u>20,621</u>

7 Support costs

	Governance costs £	2021 £	2020 £
Accountancy	510	510	480
	<u>510</u>	<u>510</u>	<u>480</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed travelling expenses.

THE MWEZI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

10 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	149	149
Carrying amount of financial liabilities		
Measured at amortised cost	510	480

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	149	149
Prepayments and accrued income	-	820
	149	969

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	510	480

13 Restricted funds

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

	Movement in funds					
	Balance at 1 November 2019	Incoming resources	Resources expended	Balance at November 2020	Resources expended	Balance at 31 October 2021
	£	£	£	£	£	£
The Waterloo Foundation	-	10,000	(2,011)	7,989	(2,783)	5,206

The Waterloo Foundation grant is to support the development of our maintenance and operation strategy.

THE MWEZI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

14 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 October 2021 are represented by:						
Current assets/(liabilities)	44,030	5,206	49,236	28,524	7,989	36,513
	<u>44,030</u>	<u>5,206</u>	<u>49,236</u>	<u>28,524</u>	<u>7,989</u>	<u>36,513</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.