

SOUTHERN AFRICA LITERATURE TRUST

**71 Howard Street
North Shields
Tyne and Wear
NE30 1AF**

**Annual Report
and
Financial Statements
for the year
1st October 2022
to
30th September 2023**

**Registered Charity No 1181782
Company Registered No 11581132**

SOUTHERN AFRICA LITERATURE TRUST

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SOUTHERN AFRICA LITERATURE TRUST

Report of the Trustees

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements for the year ended 30th September 2023. The trustees have adopted the provisions of 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 2015).

OBJECTIVE AND ACTIVITIES

Objective and aims

The Charity's objectives are set out in its Memorandum and Articles of Association and are as follows:

- 1). To advance the Christian religion in, particularly but not exclusively Central and Southern Africa, for the benefit of the public through the holding of prayer meetings, lectures, public celebration of religious festivals producing and/or distributing literature on Christianity to enlighten others about the Christian religion, and,
- 2). The relief and assistance of people in any part of the world who are the victims of war or natural disasters, trouble, or catastrophe in particular by the provision of grants to charitable organisations.

How our activities deliver public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. The trustees have complied with their duty in Section 17 of the Charities Act 2011 and have paid due regard to guidance published by the Charity Commission regarding public benefit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The year under review was particularly challenging in Malawi. During the weekend of 12 March 2023, Cyclone Freddy, the most energetic storm ever recorded, unleashed devastating force over the Southern Region, causing unprecedented destruction, death and misery. The relief effort understandably preoccupied us for the remainder of our financial year (and beyond!), of which more later.

Encouragements:

1. **Safeguarding.** We had a week-long safeguarding workshop, run by Tehila, a Zambian organisation which specialises in that field. It was an excellent experience, involving group discussions and roleplay etc., resulting more in a Safeguarding culture rather than just a Safeguarding policy. It was unfortunate that Cyclone Freddy arrived hard on the heels of the training, somewhat overshadowing the important lessons learned.
2. **Formation of Assembly at Saidi.** We had intended a week-long Bible teaching conference in April / May, but this had to be cancelled due to the ongoing effects of Cyclone Freddy. Instead, we visited several displacement camps with aid in the mornings, and returned to Saidi for Bible studies with the local believers followed by a Gospel meeting, each afternoon. It was encouraging to see the immediate response of some who expressed interest in Baptism, and particularly so when a small group of believers began to meet as an assembly a short time later.
3. **Malawi Gospel Outreach** 2023 had fewer participants than the previous year, although it was heartening to see new faces among the number. We were unable to make school visits, as we had done the previous year, however the Children's Day Camp at Saidi was a highlight for all. The focus was on children who normally attend the regular Bible studies at Saidi, and although it was difficult to turn others away, the tighter control on numbers contributed to a better organised and more profitable experience overall.
4. **School Visits.** Regrettably, School's ministry also suffered as many schools were commandeered as temporary shelters for people displaced by the cyclone, and our people were preoccupied with the relief effort. As things returned to normal later in the year, so focus was regained, and some new schools were added to the visiting schedule. Going forward, we are excited about the possibilities that the NYB (Nthawi Ya Baibulo) curriculum will present.

5. **Literature.** We have continued to develop the distribution network, and the total of items distributed has now exceeded 15 million tracts, and calendars etc. It is challenging to meet the ever-increasing demand for more and new items - a great “problem” to have. We are grateful to our friends at Revival Movement who continue to provide large quantities of materials for free distribution in Malawi.
6. **Donation Income.** The upward trend continued, with total donations increasing by 25% on the previous year. This reflects the measure in which the Lord’s people were moved by the need that resulted from Cyclone Freddy but is nonetheless a blessing and encouragement to us.
7. **Relief Effort.** Malawi is not unaccustomed to weather-related crises, but Cyclone Freddy brought problems on a scale never seen before. It is impossible to gauge the impact with precision, but it is no exaggeration that hundreds of thousands were displaced from their homes, and millions were affected by the loss of crops and damage to their dwellings.

We responded as quickly as we could, and over the ensuing months we assisted over a thousand people with emergency food supplies, until the displacement camps were disbanded on government orders. Thereafter, we continued the relief effort by building around 15 homes and helping with repairs to others which had not completely collapsed.

It was humbling to hear the appreciation of many who would otherwise have received little or no assistance in their time of desperate need. The relief effort provided many opportunities to declare explicitly the Good News of salvation as well as demonstrating the love of God in practical ways.

8. **Admin & Bookkeeping.** Our admin has been considerably improved by hiring a qualified bookkeeper in Malawi, and the additional support of Jessica Kember, who has been doing additional bookkeeping work on a volunteer basis. We continue to look for a someone who can add further strength at board level.

Challenges:

1. **Cyclone Freddy,** as mentioned above, cast a long, dark shadow over the work in 2022/3. Apart from disrupting to our normal activities, being in constant proximity to such hardship took an emotional toll on the team. Brother Harold was very traumatised as his home is situated in an area particularly affected by major mudslides, and he and his family feared for their lives during the weekend of the cyclone. This continues to remind us of the vulnerability of the work to illness or loss of key individuals.

The cyclone and ensuing hardship has highlighted the importance of having a reliable supply of maize (corn) for our in-house use, as well as for helping those in need. Consequently, we consider it a priority to develop our own growing capability and in particular to make progress with plans to implement an irrigation project on some of the land available to us at Saidi.

2. **Security.** Following the cyclone the ongoing economic difficulties in Malawi intensified, resulting in a crime wave across the country. We felt it important to minimise risk to life and property and invested further in our CCTV network and in guard dogs and training in their handling and care. This is an ongoing concern, which we believe can be addressed by (inter alia) the addition of staff housing.

We agreed that Bro Goodson’s security and wellbeing were being compromised by living inside the main compound at Saidi. Accordingly, we took steps to give him and his family some private space by commencing work on a separate home for them towards the south end of the site.

3. **Vehicle Reliability.** We continue to be beset by vehicle problems. Unfortunately, the Isuzu pickup which had been off the road for so long with engine trouble, broke down again almost immediately we received it back from the workshop. We have also had some issues with the used Mitsubishi truck we imported from Japan. Sadly, quality of spare parts and labour is a major problem, and the cost of replacement vehicles is prohibitive due to government tax and duty. We continue to explore solutions to this recurring problem.
4. **Fuel Shortage.** Various aspects of the work were curtailed due to persistent interruptions to fuel supply in Malawi. The problem was mainly due to the government’s shortage of foreign currency. While the situation has since improved somewhat (by the 44% currency devaluation in November), the shortage has driven soaring price inflation (almost 30%) affecting everything from food to building materials.

5. **Site Development.** We have not managed to make as much progress as we would have liked on site development at Saidi. This has largely been due to the distraction of Cyclone Freddy (already mentioned) as well as financial restraints as the cost of materials in Malawi has increased significantly.

Trustees:

1. Regrettably, Janet McMaster resigned as a Trustee as she felt unable to give the role what it demanded due to her own health problems, and those of her parents. We express our thanks to Janet for her invaluable contribution to the work of SALT since its inception.

I am grateful to my fellow Trustees for their ongoing help and support. Together, we express our heartfelt thanks to all who have supported us in so many ways during the past year. Above all, we express our deep gratitude for the privilege of serving the Lord in Malawi, and for his enablement, without which it would have been impossible for us to achieve anything at all.

FINANCIAL REVIEW

Financial position

During the period the charity reported a surplus of £52,877 (£8,470 for 2022). At the balance sheet date the charity had a surplus in funds of £141,957 (£89,080 at 2022), of which £(147,265), (£(61,133) at 2022), were restricted funds.

Investment policy

The Memorandum and Articles give the trustees the power to apply funds in such a manner as they think fit of for the benefit of any of the stated charitable objects or to invest funds as permitted by the Trustee Act 2000.

Reserves policy

The trustees have examined the requirement for reserves in the light of the main risks facing the charity. It is the policy of Southern Africa Literature Trust to maintain funds at a level which allows the charity to operate in the light of unforeseen circumstances. The trustees believe that the level of reserves at the end of the financial accounting period are adequate to meet this policy.

PLANS FOR FUTURE PERIODS

It is a priority for us to broaden and deepen our skill set at Board level, and so we will continue to actively seek additional help in the year ahead and will continue to up-skill our existing team.

Our annual Bible teaching conference in Malawi has suffered in successive years due to the last presidential election and re-run, the pandemic and then Cyclone Freddy. We are keen to resume this in the coming year.

We also plan to continue working with our colleagues in Malawi with a view to the development of the site at Saidi, and to improve our resilience against weather-related food shortages by pursuing plans to develop irrigation and sustainable farming projects there.

We will also continue to press forward with the translation of the Nthawi ya Baibulo (Bible Time) curriculum, with a view to this being ready for printing during mid to late 2024.

SOUTHERN AFRICA LITERATURE TRUST

Report of the Trustees (Continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was incorporated as a company limited by guarantee on 21st September 2018 and gained charitable status on 28th January 2019 from which latter date the activities of the charity commenced. The company was established under a Memorandum of Association which established the objects and powers of the charity and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

The trustees acting at the year end and who served for the full accounting period were:

Mr. Stephen Harper
Mrs. Agnes Gail Harper
Mr James David McMaster
Dr. Sarah Elizabeth Bond (ne Horan)

Recruitment and appointment of trustees

Members of the Board are appointed by a decision of the Directors. Every Director shall be appointed for an initial term of up to three years and by invitation only. The process is as follows, either the Chairman or one of the directors will make known to the other members of the board who they propose. After careful consideration and an appropriate character reference, a unanimous agreement should be reached when the final decision is made. In the case of indecision, the matter will be given further consideration until the next Board meeting.

At each annual general meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office and may offer themselves for re-election.

Organisational structure

Trustees' meetings are held each month either with the trustees meeting in person or by internet communication. Having regard to the size and activities of the charity, our experience has been that the company's business has been adequately dealt with at the monthly meetings. Minutes are prepared, circulated and agreed at subsequent meetings.

Induction and training of new trustees

If a new board member is appointed, they will be provided with an induction pack outlining the duties and responsibilities of their role and additional information as regards to the Charity. DBS clearance is a prerequisite.

Risk Management

The trustees review the major risks to the charity on an ongoing basis. Significant external risks are funding and expenditure.

Procedures are in place to ensure compliance of health and safety regulations and safeguarding for volunteers, leaders and trustees.

SOUTHERN AFRICA LITERATURE TRUST

Report of the Trustees (Continued)

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11581132 (England and Wales)

Registered Charity number

1181782

Registered office

71 Howard Street

North Shields

Tyne and Wear

NE30 1AF

Trustees

Mr. Stephen Harper

Mrs. Agnes Gail Harper

Mr James David McMaster

Mrs Janet Deborah McMaster (to 29 June 2023)

Dr. Sarah Elizabeth Bond

Independent Examiner

David Hodgson, MBE, FCA, ACIB

Read, Milburn & Co

71 Howard Street

North Shields

Tyne and Wear

NE30 1AF

Bankers

HSBC UK

Belfast Royal Avenue

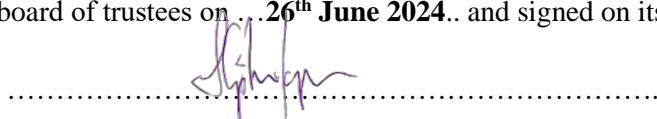
25-29 Royal Avenue

Belfast

BT1 1FB

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on ... **26th June 2024**.. and signed on its behalf by



Mr Stephen Harper

On behalf of the Trustees of Southern Africa Literature Trust

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF SOUTHERN AFRICA LITERATURE TRUST
For the period ended 30th September 2023**

Independent Examiner's Report to the trustees of Southern Africa Literature Trust

I report to the charity trustees on my examination of the accounts of the Company for the accounting period ended 30 September 2023.

Responsibilities and basis of report

As the charity trustees of the Company (and also its directors for the purpose of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company 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 your charity's accounts carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the 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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 (FRS102)).

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 accounts to be reached.

David Hodgson, MBE, FCA, ACIB
Chartered Accountant

Read, Milburn & Co
71 Howard Street
North Shields
NE30 1AF

Date: ...26th June 2024...

SOUTHERN AFRICA LITERATURE TRUST

Balance Sheet as at 30 September 2023

		2023 £	2022 £
FIXED ASSETS			
Office Equipment, at cost	530		
Less depreciation	<u>356</u>	174	218
CURRENT ASSETS			
Debtors – Customs & Excise	2,275		1,062
Loan – Harold Makawa	9,475		9,475
Cash at Bank and in Hand	<u>130,033</u>		<u>78,325</u>
	<u>£141,783</u>		<u>£88,862</u>
CURRENT LIABILITIES			
Sundry Accruals	-		-
Net Current Assets		141,783	88,862
Total Assets less Current Liabilities		<u>141,957</u>	<u>89,080</u>
Total Net Assets		<u>£141,957</u>	<u>£89,080</u>
FUNDS OF THE CHARITY			
Unrestricted Funds		289,222	150,213
Restricted Funds (<i>Note 4</i>)		(147,265)	(61,133)
Total Funds		<u>£141,957</u>	<u>£89,080</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 September 2023.

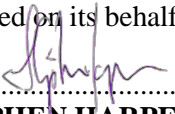
The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006, and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on ...**26th June 2024**... and were signed on its behalf by:



STEPHEN HARPER, (Chair of Trustees)

The notes form part of these financial statements

SOUTHERN AFRICA LITERATURE TRUST

Statement of Financial Activities for the year ended 30 September 2023

	/-----2023-----\ Unrestricted Restricted Total			2022
INCOME				
Donations and Legacies	228,501	109,252	337,753	266,692
Gift Aid	3,546	-	3,546	4,501
Bank Interest Received	392	-	392	19
Total Income	£232,439	£109,252	£341,691	£271,212
	=====	=====	=====	=====
EXPENDITURE				
Charitable Activities				
<i>Advertising & Promotion</i>	<i>1,384</i>	<i>-</i>	<i>1,384</i>	<i>255</i>
<i>Computer Costs</i>	<i>8,967</i>	<i>-</i>	<i>8,967</i>	<i>2,453</i>
<i>Carriage & Shipping</i>	<i>3,249</i>	<i>-</i>	<i>3,249</i>	<i>2,502</i>
<i>Travel & Subsistence</i>	<i>10,489</i>	<i>-</i>	<i>10,489</i>	<i>14,337</i>
<i>Motor Expenses</i>	<i>284</i>	<i>-</i>	<i>284</i>	<i>1,584</i>
<i>Rent of Office and Storage</i>	<i>3,373</i>	<i>-</i>	<i>3,373</i>	<i>2,982</i>
<i>Heat & Light</i>	<i>85</i>	<i>-</i>	<i>85</i>	<i>-</i>
<i>Insurance</i>	<i>295</i>	<i>-</i>	<i>295</i>	<i>269</i>
<i>Telephone</i>	<i>277</i>	<i>-</i>	<i>277</i>	<i>291</i>
<i>Printing, Postage & Stationery</i>	<i>2,242</i>	<i>-</i>	<i>2,242</i>	<i>59</i>
<i>General Administration Expenses</i>	<i>1,907</i>	<i>-</i>	<i>1,907</i>	<i>53</i>
<i>Donations to SALT Malawi</i>	<i>65,991</i>	<i>137,113</i>	<i>203,104</i>	<i>212,604</i>
<i>Literature Publication & Printing</i>	<i>41,247</i>	<i>-</i>	<i>41,247</i>	<i>10,083</i>
<i>Malawi Gospel Outreach Expenses</i>	<i>5,046</i>	<i>-</i>	<i>5,046</i>	<i>10,604</i>
<i>Relief Aid & Operations</i>	<i>2,473</i>	<i>-</i>	<i>2,473</i>	<i>-</i>
<i>Bank Charges</i>	<i>1,399</i>	<i>-</i>	<i>1,399</i>	<i>1,516</i>
<i>Accountancy & Professional Expenses</i>	<i>2,832</i>	<i>-</i>	<i>2,832</i>	<i>2,683</i>
<i>Foreign Exchange variances</i>	<i>117</i>	<i>-</i>	<i>117</i>	<i>413</i>
<i>Depreciation of Office Equipment</i>	<i>44</i>	<i>-</i>	<i>44</i>	<i>54</i>
Total Expenses	£151,701	£137,113	£288,814	£262,742
	=====	=====	=====	=====
NET INCOME	80,738	(27,861)	52,877	8,470
RECONCILIATION OF FUNDS				
Total funds brought forward	150,213	(61,133)	89,080	80,610
Transfers between funds	58,271	(58,271)		
TOTAL FUNDS CARRIED FORWARD	£289,222	£(147,265)	£141,957	£89,080
	=====	=====	=====	=====

The Notes form part of these financial statements

SOUTHERN AFRICA LITERATURE TRUST

Notes to the Financial Statements

Note 1 – STATUTORY INFORMATION

Southern Africa Literature Trust is a private company limited by guarantee, registered in England and Wales. The company's registered number and registered address can be found within the Reference and Administration Details.

The Accounting period is for the year to 30th September 2023 and comparative figures are for the year to 30th September 2022.

Note 2 – ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

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

Depreciation

Depreciation has been provided at a rate of 20% on a reducing balance basis on fixed assets.

Taxation

The Charity is exempt from taxation on its charitable activities.

Realised gains and losses

There have been no realised gains or losses on investments during the year.

Note 3 – TRUSTEES' REMUNERATION AND BENEFITS

No payments have been made to any of the Trustees during the accounting period to 30th September 2023 or in the previous accounting period.

SOUTHERN AFRICA LITERATURE TRUST

Notes to the Financial Statements (continued)

Note 4 – RESERVES

During the previous year, a gift of £58,271 was received by the charity and was at that stage allocated as restricted Relief Funds. As the Relief Fund reserve is currently over-funded in excess of what is likely to be needed, the donor has agreed that their gift can be released to unrestricted funds and accordingly a transfer has been shown in the accounts for the current year.

Additionally, restricted fund expenditure amounting to £20,595 was incorrectly allocated to Local Workers Fund last year instead of Relief Funds and has now been adjusted by transfer during the current year.

The balance on Restricted Reserves is made up of restricted income less associated expenditure during the accounting period. Details of the make-up of balances on Restricted Reserves as at the Balance Sheet date is as follows:-

	B/Fwd	Income	Expenditure	Fund Transfer	C/Fwd
Building Fund	(113,891)	3,303	60,419		(171,007)
Relief Funds	86,131	102,677	72,708	(78,866)	37,234
Local Workers	(33,373)	3,272	3,986	20,595	(13,492)
	<u>£(61,133)</u>	<u>£109,252</u>	<u>£137,113</u>	<u>£(58,271)</u>	<u>£(147,265)</u>
	=====	=====	=====	=====	=====