

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2023**

RLABS UK

CHARITY REGISTRATION NUMBER 1182970

Independent Examiner
Beata Lee
146 Heathfield Road
Southport
PR8 3EW

RLABS UK

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LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER	1182970
START OF FINANCIAL YEAR	06 April 2023
END OF FINANCIAL YEAR	31 December 2023
TRUSTEES AT 5 APRIL 2023	Jonathan Mills Carl Wills Rene Elizabeth Parker

The existing trustees appoint any new trustees following the provisions laid out in the Charity's governing instrument.

LEGAL STATUS	Charitable Incorporated Organisation Date registered 15th April 2019
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GOVERNING INSTRUMENT	Constitution Adopted 4th May 2018
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OBJECTS

1) TO DEVELOP THE CAPACITY AND SKILLS OF THE MEMBERS OF SOCIALLY AND ECONOMICALLY DISADVANTAGED COMMUNITIES IN THE UK AND INTERNATIONALLY IN SUCH A WAY THAT THEY ARE BETTER ABLE TO IDENTIFY, AND HELP MEET, THEIR NEEDS AND TO PARTICIPATE MORE FULLY IN SOCIETY.

2) TO ADVANCE SUCH OTHER CHARITABLE PURPOSES (ACCORDING TO THE LAW OF ENGLAND AND WALES) AS THE TRUSTEES SEE FIT FROM TIME TO TIME.

The charity operates throughout England, Tanzania and South Africa.

CORRESPONDENCE ADDRESS	2 Anglesey Road Alverstoke Gosport Hants PO12 2EQ
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PRIMARY BANKERS	CAF Bank Ltd 25 Kings Hill Avenue West Mailing Kent ME19 4JQ
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INDEPENDENT EXAMINER	Beata Lee 146 Heathfield Road Southport PR8 3EW
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Report of the Trustees

For the year ended 31st December 2023

Note:

This report covers the period 6th April - 31st December 2023. Originally RLabs UK accounting year was set to the UK tax year. The accounting period was changed in 2023 to align with RLabs Tanzania's accounting year of January to December. The accounts were revised and resubmitted.

RLabs UK was set up with the following objectives:

To advance in life young adults (18-25) through: providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.

The promotion and advancement of community capacity building, using innovation, technology and training in the UK and abroad.

To advance such other exclusively charitable purposes as are compatible with the purposes referred to at a) and b) above, as the trustees in their discretion think fit.

Specifically, our mission is to bring RLabs South Africa's award-winning programmes to the UK to transform lives and support youth entrepreneurs and leaders in emerging RLabs hubs across Africa, starting with Tanzania.

1. Background to RLabs South Africa, UK and Tanzania

RLabs (Reconstructed Living Labs) was started in South Africa in 2008 and has become a leader in social entrepreneurship transforming hope and economic opportunities in deprived communities. RLabs' work in South Africa has sparked a global movement for social change, impacting 10 million people in 23 countries.

RLabs Tanzania started in 2012 as the Iringa Living Lab, set up by social entrepreneur Yusuf Ssessanga through inspiration from the joint Finnish and Tanzanian government TanzICT programme. Mentored by RLabs South Africa, the team worked voluntarily from 2014 – 2019 achieving impressive impact in helping young people create businesses. RLabs UK was created in 2019 to raise funds to support the growth of RLabs Tanzania. Financial support and capacity building from RLabs UK since 2019 has enabled RLabs Tanzania to scale up the programme, build organisational capacity, and secure funding within Tanzania.

RLabs UK has also channelled donations to RLabs South Africa (in 2022-23).

2. Support to RLabs Tanzania

2023 was a year of reflection and consolidation for the RLabs Tanzania programme, after rapid scale up of RLabs' entrepreneurship training "Grow Leadership", growing from reaching 30-60 young people per year in 2019 to 10,195 in 2022. Having developed a successful model to help young people start a small business, the focus in 2023 was on helping to grow those businesses, and adapt the Grow Leadership model for the most disadvantaged groups.

2.1 Evidence of sustainability of programme investment since 2020

RLabs continues to see young people trained in Grow Leadership in the last three years growing and thriving. Young women like Diana, pictured below, still talk about the impact of the training

years later. When she joined Grow Leadership, her small hairdressing business was only generating £10 per month, but after Grow, Diana has increased her monthly income to £100 and she saved £400 in her savings group, enabling her to live independently.

"I learned how to be aware of myself, how to set plans and stay with them. The training was interactive and creative- we were given tasks to go to different places, like the hospital, and had to see what challenges they faced and figure out how to help. It made me see myself in those situations as a leader.

When I walked away from training I knew I could be a leader. As a leader, I can do more. Being able to provide for my Mum and give her a better quality of life brings me so much joy."



A powerful indicator of young people's increased income is the amount of savings in their Youth Savings and Loans Associations (YSLAs). This is a more robust measure than self-reported income, as it represents verified cash that members have saved over and above meeting their basic needs.

YSLA savings have tripled since the previous year to £103,677, and average savings per member more than doubled to £252, demonstrating programme sustainability and the growing impact of RLabs' investment over the years.

Once established, YSLAs operate sustainably without external finance or support. RLabs' support for the groups is focused on continuing to strengthen group management, encouraging the groups through celebrating their successes at the annual YSLA conferences, and Grow Next Level training to help grow their business income. YSLAs also create a valuable leadership opportunity, as young people take on leadership roles in the group, as chair, secretary and treasurer.

(Right - YSLA management committee counting and recording members' savings)



2.2 Further development of Grow Next Level model

In 2023, RLabs further developed its Grow Next Level (GNL) curriculum to help young people to identify the strengths and weaknesses of their businesses, know their target customers, and improve their financial management.

99 young people were trained in Grow Next Level in 2023, and the work continues in 2024 with ongoing and new participants.



Jerry has a shoe-shine business and joined the first GNL cohort in 2023. ***"A lot has changed since I joined the GNL class. Since I separated my business finance from my personal life, now I understand what real business profit is and measure if my time is worth it, calculating work done and returns. Due to the reduction in unnecessary expenditures, I now see the fruits of my labour as I have more money to save as opposed to before. When I started, I was making about £6.50 per week but now I normally make £20."***

It had proved challenging to get young people to commit time to training, despite their desire to grow their businesses. The team has adapted the programme to ensure that it addresses the young people's most urgent needs first – for example, those keeping chickens, who most want to improve their chicken-keeping practices so that they can produce more and larger chickens. The business management components are then integrated into the specific training on the areas requested by the young people, as well as support to link to buyers. The new model is being developed and rolled out in 2024.

2.3 Adaptation of Grow Leadership to meet the needs of Iringa street children

In 2023, RLabs adapted the Grow Leadership programme to support street children in Iringa town (where RLabs is based) who were visibly in need of safer livelihoods and nurturing to achieve their full potential. In Iringa, small groups of young boys are seen begging on the streets or collecting plastic for recycling, normally due to family poverty, breakdown or neglect or being orphaned. They are excluded and rejected by the community because they are seen as dirty and badly behaved.

Having refined the Grow Leadership model and improved the organisation's management capacity, in 2023 the team was ready to meet the children's additional needs, and opened the doors to street children to start using RLabs' computer centre. Once welcomed in, more than 30 children were regularly spending time at RLabs. As the team got to know the children, it quickly became apparent that the normal Grow Leadership model would need adapting, as the children were energetic and unable to sit still for a discussion-based curriculum.

19 children joined the pilot Grow Street cohort in 2023, 68% of whom didn't have a safe place to sleep. Others were sleeping in children's centres which provide food and shelter but not the training to move on to independent living and integration with the local community.



Left: First Grow Street Cohort, September - November 2023, session reflecting on their family backgrounds

Elisha, age 16 explained - "I sleep on the streets. The police are always chasing us away, thinking we're thieves. There's no mattress or sheet and it's cold."

Encouraging results from the 2023 pilot included:

- Tremendous improvement in hygiene, the children started arriving at training keen to show they were clean and ready to learn, and demonstrating that they understood the importance of being clean in order to have more positive interactions with their community.
- Improvement in communication skills, growth mindset and self-esteem. Before training, 76% of children said society doesn't value them and 74% of the children said they needed help from a donor to sort their life out. After training, 89% of the children said that their community values and cares about them, and only 5% still said that they needed help from a donor to sort their life out. Children who completed Grow Street are proactive in helping clear up the center, for example after family meals. Many of the children reported feeling more confident that they could achieve in life, for example, Joshua, age 16:

"I quit school to join bad groups, but now I really regret it. Grow Street training has made me want to go back to school to get an education that I know will help me. I have learned that even if I come from a tough background, I need to know my worth before I can be successful. I know that I need to take small steps towards my goals until I reach them."

- Positive steps were taken by the children to improve their lives, including finding rented accommodation, securing jobs, and returning to school.

RLabs worked closely with local organisations already serving the street children to ensure a coordinated and united response. In December 2023, RLabs was recognised by local government as positioned to provide valuable complementary services to the children. RLabs was selected to host the regular lunches for the children in partnership with the Social Welfare department, with food donated by a local company. More than 100 children attended lunches over a three month period, with an average of 44 children attending on any given day. This has proved a valuable opportunity for the team to provide social support to the children, and deepen their understanding of their situation. The team have observed that some of the children are working at night (some on illegal activities), some are using drugs like marijuana, and they are exposed to raids by the police.

Security is a big challenge for the children trying to save money from their daily earnings, as they are regularly robbed. The initial pilot showed that the Youth Savings and Loans format of meeting weekly would not be possible for the children as their lifestyles are not stable enough (yet) for them to attend a weekly meeting. However, they show a strong desire to save, and in 2024 the team will be working on adapting the YSLA model to work for the street children's lifestyles and enable them to save safely.

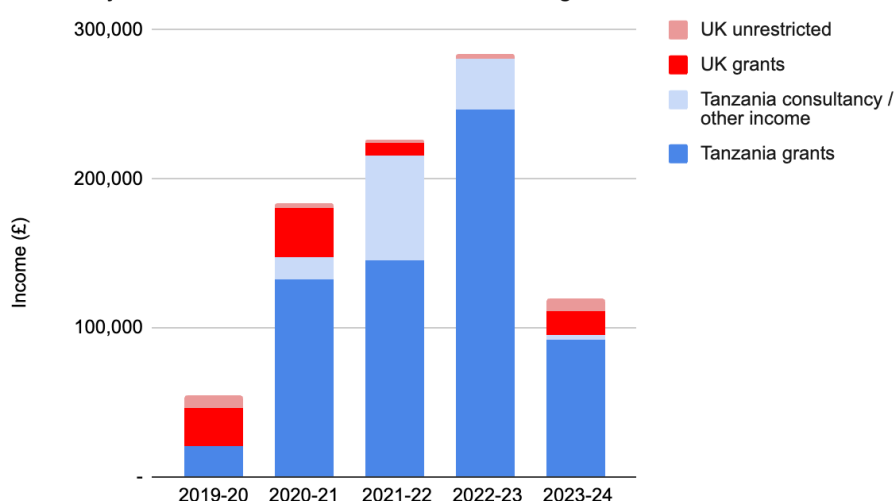
3. Statement in relation to public benefit

The trustees have considered the Charity Commission's guidance on public benefit. The activities to enhance the opportunity for marginalised people in the UK and Tanzania to participate in society are of public benefit in the reduction of poverty, and building community capacity.

4. Financial Review

RLabs UK was formed in 2019 to support RLabs Tanzania's growth through organisational capacity development and fundraising. As the five-year financial summary shows, this has been successful.

Summary of RLabs UK / RLabs Tanzania Funding 2019 - 2024



In 2023, RLabs Tanzania's major grants with UNICEF and Fondation Botnar came to an end, and RLabs Tanzania opted not to attempt to renew funding at that time, as a result of the

decision to focus on deepening the Grow Street and Grow Next Level programmes in Iringa. Both UNICEF and Fondation Botnar grants required programmes to be implemented in locations far from RLabs' main office, which was possible for elements already well established (Grow Leadership and Youth Savings and Loans Associations) that RLabs could deliver at scale. However, for new programme elements, senior managers needed to be closely involved in developing and testing the programme directly with programme participants, i.e. in locations close to the office. The team decided to test and develop the programme with a small number of participants in Iringa before scaling, creating the need to increase fundraising from UK sources to fund the programme in 2023 - 24.

For the first time in 2023, RLabs UK paid for professional fundraising services, resulting in the following new funding sources secured for RLabs Tanzania for 2023-4:

- Infinity Foundation
- Ashworth Charitable Trust
- Eleanor Rathbone Trust
- Fundraising event in Bedford

Donations from these organisations have been designated for RLabs' Grow Street programme.

Ongoing relationship-building is expected to bear fruit in 2024-25 including partnership with St Mary's Church in Alverstoke, Hampshire and ongoing discussions with donors.

5. Objectives for 2024 – 2025

- Through employment of the Strategic Advisor, Organisational Development (working jointly for RLabs UK and RLabs Tanzania), continue to build capacity within RLabs Tanzania in programme design, impact measurement, management and reporting
- Generate £50,000 from UK sources to support RLabs' programme in Tanzania
- Set up communication channels with UK supporters, including social media and regular newsletters

6. Structure, Governance and Management

RLabs UK was registered as a Charitable Incorporated Organisation in April 2019. RLabs UK is governed by board of trustees with the following members:

	Trustee name	Office (if any)	Dates acted if not for whole year
1	Rene Parker	Chair	April 2019 - present
2	Jonathan Mills	Secretary	May 2020 – present
3	Carl Wills	Member	April 2021 - present

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

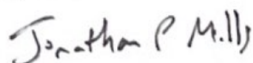
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

The trustees declare that they have approved the trustees' report above. Signed on behalf of the charity's trustees

Signature(s)



Full Name ...Jonathan Mills.....

Position (e.g. Secretary / Chair etc) ...Trustee.....

Date 2nd September 2024

RLABS UK
INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2023

I report to the trustees on my examination of the accounts of the charitable company for the year 5th April 2024

Responsibilities and basis of report

As the charity Trustees, who are also directors for the purposes of company law, 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 examiners 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 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 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 (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 accounts to be reached.



Beata Lee

Date: 31st August 2024

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STATEMENT OF RECEIPTS AND PAYMENTS FOR
THE YEAR ENDED 31st DECEMBER 2023

Notes	Unrestricted	Restricted	31/12/2023	05/04/2023
	£	£		Total £
RECEIPTS:				
Donations & Legacies	1,357	13,329	14,686	1,765
Gift Aid reclaimed	184		184	1,144
Total	1,541	13,329	14,870	2,909
PAYMENTS:				
Costs of Charitable Activities	1,718	6,711	8,429	12,458
Governance costs	-			
TOTAL PAYMENTS	1,718	6,711	8,429	12,458
NET RECEIPTS / (PAYMENTS)				
Transfers between funds				
NET MOVEMENT IN FUNDS	-177	6,618	6,441	-9,549
RECONCILIATION OF FUNDS:				
Total Funds Brought forward	1,507	0	1,507	11,057
TOTAL FUNDS CARRIED FORWARD	1,330	6,618	7,948	1,507

The notes on pages 10 form part of these financial statements.

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STATEMENT OF ASSETS AND LIABILITIES

AS AT 4 APRIL 2023

	Unrestricted	Restricted	31/12/2023	05/04/2023
			Total	Total
	£	£	£	£
Fixed Assets				
Current assets				
Debtors				
Cash at Bank	1,330	6,618	7,948	1,507
	1,330	6,618	7,948	1,507
Creditors: amounts falling due within one year				
Net current assets			7,948	1,507
Total assets less current liabilities			7,948	1,507
Net assets				1,507
The funds of the charity				
Unrestricted income funds	1,330		1,330	1,507
Restricted Income funds	6,618	0	6,618	0
Total Funds	7,948	0	7,948	1,507

	31/12/2023	05/04/2023
Liabilities	Total	Total
	£	£

TRUSTEES RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

Charity Law requires the Trustees to prepare financial statements for each financial year which comply with the regulations set out in the Charities Act 2011. The Trustees have elected to take advantage of the provisions that apply to small charities and have prepared a Receipts and Payments Account and Statement of Assets and Liabilities which are set out on pages 11 and 12.

Approved by the Trustees on 14th January 2024
Signed on their behalf by Trustee

Jonathan P Mills

Print Name: Jonathan P Mills

RLABS UK

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2023

1. BASIS OF ACCOUNTING

The accounts have been prepared under the "Receipts and Payments" basis as prescribed by the Charity Commissioners and they meet the appropriate legal requirements.

2. RECEIPTS

	Unrestricted	Restricted	31/12/2023	05/04/2023
			Total	Total
	£	£	£	£
Donations				
RL Charitable Trust		8,000	8,000	
Infinity Foundation		2,329	2,329	0
Ashworth Charitable Trust		3,000	3,000	
Unrestricted donations	1,357		1,357	1,765
Gift Aid	184		184	1,144
	<u>1,541</u>	<u>13,329</u>	<u>14,870</u>	<u>2,909</u>

3. PAYMENTS

	Unrestricted	Restricted	31/12/2023	05/04/2023
			Total	Total
	£	£	£	£
RLabs Tanzania		6,700	6,700	8,000
RLabs South Africa				3,700
UK:				
Fundraising	1,678	0	1,678	687
Bank charges	40	11	51	71
	<u>1,718</u>	<u>6,711</u>	<u>8,429</u>	<u>12,458</u>

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4. RESTRICTED FUNDS

	Balance	Income	Expenditure	Transfers	Balance
	05/04/2023				31/12/2023
	£	£	£	£	
RL Charitable Trust	0	8,000	6,700		1,300
Infinity Foundation	0	2,329	11		2,318
Ashworth Charitable Trust	0	3,000	0		3,000
	0	13,329	6,711	0	6,618

This page does not form part of the statutory financial statements

5. PAYMENTS TO TRUSTEES

No payments were made to trustees or any persons connected with them during this financial period. No other material transaction took place between the organisation and a trustee or any person connected with them.

6. RISK ASSESSMENT

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

7. RESERVES POLICY

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

8. PUBLIC BENEFIT

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the trustees report. The trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.