

Report of the Trustees and
Unaudited Financial Statements for the Period 1 April 2020 to 31 October 2020
for
ACORN INITIATIVE

Ark Accountancy
Chartered Certified Accountant
31 Cheam Road
Epsom
Surrey
KT17 1QX

ACORN INITIATIVE

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ACORN INITIATIVE

Report of the Trustees

for the Period 1 April 2020 to 31 October 2020

The trustees present their report with the financial statements of the charity for the period 1 April 2020 to 31 October 2020. 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the CIO (Charitable Incorporated Organisation) are:

To relieve poverty of persons who are in internally displaced person (DP) camps in Nigeria, particularly in Benue State, by the provision of first aid kits, books, access to potable water and the teaching of skills to adults to enable them to earn a living when they are resettled

To advance the education of children and young people in Hampshire and Bedfordshire by providing supplementary schools and support with homework

Significant activities

ACORN Initiative over the years has undertaken projects in all our program focus areas which includes, Health, Water Hygiene and Sanitation (WASH), Education and Skills Acquisition. With over 12000 Internal Displaced Persons as beneficiaries.

Health in A Box: Provided 30 fully equipped first aid boxes to 5 camps with one-year medical supplies and check up with treatments.

WASH: Provided clean safe water for over 10,000 IDPs, by setting up 3x 5000 liters GP tanks with bi-weekly supply of water. Setting up WASH Committee executive for effective sustainability of project.

Skill Toolbox: Trained and empowered over 750 women in IDP in soap making, craft making, and pastry.

Library in A Box: Provided Information Education & Communication Materials for over 2500 IDPs and paid tuition fees for over 50 orphans and vulnerable children.

In the United Kingdom, we have administered training, workshop and promoted cultural integration for 42 women alongside 72 children from different backgrounds among other outreaches to the homeless within the Hampshire community.

2020 activities .

Ongoing construction of 1 x borehole and 6 latrines in the Makurdi IDP camp currently halted due to the Covid-19 lockdown.

A Bi-weekly visitation of IDP camps by ACORN medical team to deliver hand sanitizers, toilet papers, detergent, and other palliatives to sustain them during the lockdown period.

Weekly supply of food donation to camps during the lockdown to 3 camps serving 750 IDPs in 2 camps.

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Report of the Trustees
for the Period 1 April 2020 to 31 October 2020

OBJECTIVES AND ACTIVITIES

Public benefit

Under the guidance of the UK charity commission on public benefit, we have carried out charitable activities in the following areas.

WASH and Health Care: Provision of WASH and Health care services to 13 IDP camps which targeted over 17500 and their dependents in the past 25 months. Our WASH services have provided clean and hygienic drinking water to persons in camps, first aid boxes and medical supplies.

Skills Toolbox. Our Charity efforts in this area has provided relevant skills to women in camp providing them with the knowledge of soap making, handbag, pastry, and shoe making.

Health in a Box. Our Charity efforts in this aspect has provided basic health care to occupants of different IDP camps ranging from the provision of First Aid Boxes, delivery of health and hygiene awareness talks.

Library in a Box. Educational materials aimed at developing and maintaining a reading culture in both children and adults in IDP camps have been provided over the past months. Books with varying degrees of educational content designed to engage the minds of children and adults have been provided.

Volunteers

Our charity efforts have been made possible working with a team of volunteers to offer humanitarian services. With a team of over 122 Volunteers in Nigeria and 12 in the UK have helped in all our efforts aimed at bringing hope to the physically displaced, mentally distressed, and emotionally desolated in communities.

ACORN INITIATIVE

Report of the Trustees
for the Period 1 April 2020 to 31 October 2020

FINANCIAL REVIEW

Reserves policy

Purpose

The purpose of the Operating Reserve Policy for ACORN Initiative is to ensure the stability of the mission, programs, employment, and ongoing operations of the organization. The Reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, onetime unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development and other sustainability efforts of programs and projects. Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of ACORN initiative for the Reserves to be used and replenished within a reasonably short period of time. Our Reserve Policy will be implemented in concert with the organizations missions, objectives, definitions and goals .The Reserve Fund is defined as a designated fund set aside by action of the Board of Trustees. The minimum amount to be designated as Reserve will be established in an amount sufficient to maintain ongoing operations and programs for a set period of time, measured in months. The Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes. The target minimum Reserve Fund is equal to three months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as benefits, occupancy, office, travel, program, and ongoing professional services. The calculation of average monthly expenses also excludes some expenses which are Capital in nature and usually one time. The amount of the Reserve Fund target minimum will be calculated each year after approval of the annual budget, reported to the Finance Committee/Board of Trustees, and included in the regular financial reports.

Accounting for Reserves:

The Reserve Fund will be recorded in the financial records as Reserves. The Fund will be funded and available in cash. Reserves of Acorn Initiative will be maintained in the same bank with the general cash of the organization.

Funding of Reserves :

The Reserve Fund will be funded with surplus unrestricted operating funds. The Board of Trustees may from time to time direct that a specific source of revenue be set aside for funding the Reserves which may include one-time gifts or bequests, special grants, or special appeals.

Use of Reserves :

Use of the Reserves involves 3 steps which includes,

1. Identification of appropriate use of reserve funds. The Co-Founders and staff will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use Reserves : Our approach to use reserves in Acorn initiatives shall be subject to authorization and consultation between the Board of Trustees and the Treasurer and/ or Chair of the Finance Committee. The use of Reserves will be reported to the Executive committee in the next scheduled meeting accompanied by a description of the analysis and determination of the use of funds and plans for replenishment to restore the Reserve to the target minimum amount. Approval must however be received before the use of Reserves of any given amount.

3. Reporting and monitoring . The Board of Trustees is responsible for ensuring that the Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Reserve funds, the Treasurer will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Committee/ Board of Directors of progress to restore the Fund to the target minimum amount.

4. Review of Policy. This Policy will be reviewed every other year, at minimum, by the Finance Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by Acorn initiatives Finance Committee to the Board of Trustees.

ACORN INITIATIVE

Report of the Trustees

for the Period 1 April 2020 to 31 October 2020

FUTURE PLANS

The initiative has drawn out plans with certain time frames ranging from 2 to 3 and 5 years encompassing all her charity activities and services to IDPs both in the UK and Nigeria.

WASH. Building over 5-7 boreholes and over 35 latrines in the next 2 years in over 5 communities in addition to offering proper hygiene and sanitation awareness programs to IDPs on how to maintain proper health and sanitation efforts in both the camps and communities.

Skills Toolbox: Training and empowerment of over 3000 women and dependents on various skills and crafts development with the necessary sustainability guidelines in place within the period of 2-3 years.

Health in a Box: ACORN seeks to build 10 mobile health units in sheltered camps within 3 years in order to assist the health crisis in camps site.

Migration : ACORN intends to provide systematic approach with the local communities in the UK where migrant's families will have the opportunity to continue to network together either utilizing online web facilities or brick & mortar to learn, integrate, assist each other during homework classes periodically, hence strengthen diversity, culture and also social independence.

Library in a Box: ACORN wishes to build 3 schools dedicated to IDPs to serve whilst leaving within the communities, alongside pay tuition and provide scholarship for over 10,000 orphans in 5 years

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a constitution, and constitutes a charitable incorporated organisation, company number CE018988. a charity registered as a body corporate under part 11 of the Charities Act 2011

Organisational structure

ACORN initiative has a generic structure of nonprofit organizations which comprises of a Board of Trustees, Advisors, Administrative, Program, and Communication Managers. Underneath the managerial cadres are assistants and other members of staffs who volunteer in different capacities.

Our organizational structure is modelled to make everyone get involved in the process of serving the core mission of the organization as it positions everyone to be a field staff during our outreaches. We have a total of 3 international staff (UK) trustees, and 10 Domestic staff (Nigeria) including over 134 volunteers.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1185516

Principal address

7 Bell Yard
London
WC2A 2JR

Trustees

A J Igoche
Mrs L E Igoche
Ms S Saduwa

ACORN INITIATIVE

Report of the Trustees
for the Period 1 April 2020 to 31 October 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Mary E Ryan

FCCA

Ark Accountancy

Chartered Certified Accountant

31 Cheam Road

Epsom

Surrey

KT17 1QX

Approved by order of the board of trustees on 1 November 2020 and signed on its behalf by:

A J Igoche - Trustee

Independent Examiner's Report to the Trustees of
ACORN INITIATIVE

Independent examiner's report to the trustees of ACORN INITIATIVE

I report to the charity trustees on my examination of the accounts of ACORN INITIATIVE (the Trust) for the period 1 April 2020 to 31 October 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Mary E Ryan
FCCA
Ark Accountancy
Chartered Certified Accountant
31 Cheam Road
Epsom
Surrey
KT17 1QX

24 November 2020

ACORN INITIATIVEStatement of Financial Activitiesfor the Period 1 April 2020 to 31 October 2020

			Period 1.4.20 to 31.10.20	Period 26.9.19 to 31.3.20
	Notes	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	2	10,539	-	10,539
Charitable activities				
WASH				
		-	2,018	2,018
Camps		-	-	-
Migration project		-	-	-
Total		10,539	2,018	12,557
EXPENDITURE ON				
Charitable activities				
Borehole		-	-	-
WASH				
		-	3,288	3,288
Camps		-	-	-
Migration project		-	300	300
Support costs		500	-	500
Honey Farm restoration		-	9,230	9,230
Total		500	12,818	13,318
NET INCOME/(EXPENDITURE)		10,039	(10,800)	(761)
Transfers between funds	8	(9,315)	9,315	-
Net movement in funds		724	(1,485)	(761)
RECONCILIATION OF FUNDS				
Total funds brought forward		88	4,555	4,643
TOTAL FUNDS CARRIED FORWARD		812	3,070	3,882

The notes form part of these financial statements

ACORN INITIATIVEBalance Sheet31 October 2020

	Notes	Unrestricted fund £	Restricted funds £	31.10.20 Total funds £	31.3.20 Total funds £
CURRENT ASSETS					
Cash at bank		1,312	11,070	12,382	5,143
CREDITORS					
Amounts falling due within one year	5	(500)	-	(500)	(500)
NET CURRENT ASSETS		<u>812</u>	<u>11,070</u>	<u>11,882</u>	<u>4,643</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		812	11,070	11,882	4,643
CREDITORS					
Amounts falling due after more than one year	6	-	(8,000)	(8,000)	-
NET ASSETS		<u>812</u>	<u>3,070</u>	<u>3,882</u>	<u>4,643</u>
FUNDS	8				
Unrestricted funds				812	88
Restricted funds				3,070	4,555
TOTAL FUNDS				<u>3,882</u>	<u>4,643</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 1 November 2020 and were signed on its behalf by:

A J Igoche - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. 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 that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. DONATIONS AND LEGACIES

	Period 1.4.20 to 31.10.20 £	Period 26.9.19 to 31.3.20 £
Donations	10,539	1,123

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 October 2020 nor for the period ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 October 2020 nor for the period ended 31 March 2020.

ACORN INITIATIVE

Notes to the Financial Statements - continued
for the Period 1 April 2020 to 31 October 2020

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,123	-	1,123
Charitable activities			
WASH			
Camps	- 830	19,850 -	19,850 830
Migration project	-	10,000	10,000
Total	1,953	29,850	31,803
EXPENDITURE ON			
Charitable activities			
Borehole	-	510	510
WASH			
Camps	- 671	15,610 -	15,610 671
Migration project	-	9,785	9,785
Support costs	584	-	584
Total	1,255	25,905	27,160
NET INCOME	698	3,945	4,643
Transfers between funds	(610)	610	-
Net movement in funds	88	4,555	4,643
TOTAL FUNDS CARRIED FORWARD	88	4,555	4,643

ACORN INITIATIVE

Notes to the Financial Statements - continued
for the Period 1 April 2020 to 31 October 2020

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.20	31.3.20
	£	£
Other creditors	500	500
	<u>500</u>	<u>500</u>

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.10.20	31.3.20
	£	£
Other creditors	8,000	-
	<u>8,000</u>	<u>-</u>

7. LOANS

An analysis of the maturity of loans is given below:

	31.10.20	31.3.20
	£	£
Amounts falling between one and two years:		
Other loans - 1-2 years	8,000	-
	<u>8,000</u>	<u>-</u>

8. MOVEMENT IN FUNDS

	At 1.4.20	Net movement	Transfers	At
	£	in funds	between	31.10.20
		£	funds	£
Unrestricted funds				
General fund	88	10,039	(9,315)	812
Restricted funds				
Hampshire Migrant Integration Project	215	(300)	85	-
The Waterloo Foundation	4,340	(3,288)	-	1,052
Honey Farm - Skill Tool box entrepreneurial project	-	(9,230)	9,230	-
Wash in Benue	-	2,018	-	2,018
	<u>4,555</u>	<u>(10,800)</u>	<u>9,315</u>	<u>3,070</u>
TOTAL FUNDS	<u>4,643</u>	<u>(761)</u>	<u>-</u>	<u>3,882</u>

ACORN INITIATIVE

Notes to the Financial Statements - continued for the Period 1 April 2020 to 31 October 2020

8. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	10,539	(500)	10,039
Restricted funds			
Hampshire Migrant Integration Project	-	(300)	(300)
The Waterloo Foundation	-	(3,288)	(3,288)
Honey Farm - Skill Tool box entrepreneurial project	-	(9,230)	(9,230)
Wash in Benue	2,018	-	2,018
	<u>2,018</u>	<u>(12,818)</u>	<u>(10,800)</u>
TOTAL FUNDS	<u>12,557</u>	<u>(13,318)</u>	<u>(761)</u>

Comparatives for movement in funds

	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds			
General fund	698	(610)	88
Restricted funds			
Hampshire Migrant Integration Project	215	-	215
The Waterloo Foundation	4,340	-	4,340
Dream Homes	(610)	610	-
	<u>3,945</u>	<u>610</u>	<u>4,555</u>
TOTAL FUNDS	<u>4,643</u>	<u>-</u>	<u>4,643</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,953	(1,255)	698
Restricted funds			
Hampshire Migrant Integration Project	10,000	(9,785)	215
The Waterloo Foundation	4,850	(510)	4,340
Dream Homes	15,000	(15,610)	(610)
	<u>29,850</u>	<u>(25,905)</u>	<u>3,945</u>
TOTAL FUNDS	<u>31,803</u>	<u>(27,160)</u>	<u>4,643</u>

ACORN INITIATIVE

Notes to the Financial Statements - continued
for the Period 1 April 2020 to 31 October 2020

9. RELATED PARTY DISCLOSURES

There were no related party transactions for the period ended 31 October 2020.

ACORN INITIATIVE

Detailed Statement of Financial Activities for the Period 1 April 2020 to 31 October 2020

	Period 1.4.20 to 31.10.20 £	Period 26.9.19 to 31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	10,539	1,123
Charitable activities		
Camps receipts	-	830
WASH in Benue	2,018	-
Grants	-	29,850
	<hr/> 2,018	<hr/> 30,680
Total incoming resources	12,557	31,803
EXPENDITURE		
Charitable activities		
WASH costs	3,288	15,610
Borehole	-	510
Camps costs	-	671
Migration project costs	300	9,785
Honey Farm restoration	9,230	-
	<hr/> 12,818	<hr/> 26,576
Support costs		
Management		
DBS checks	-	84
Governance costs		
Accountancy and legal fees	500	500
	<hr/> 13,318	<hr/> 27,160
Total resources expended		
	<hr/> (761)	<hr/> 4,643
Net (expenditure)/income	<hr/> <hr/>	<hr/> <hr/>