

BUILD AFRICA

REPORT AND FINANCIAL STATEMENTS

for the Year ended 31 March 2023

Charity Registration No. 298316

Company Registration No. 2200793 (England and Wales)

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BUILD AFRICA

TRUSTEES REPORT AND ACCCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

COMPANY INFORMATION

Trustee	Street Child
Charity number	298316
Company number	2200793
Registered office & principal address	33 Creechurch Lane, London EC3A 5EB
Auditors	Moore Kingston Smith LLP Chartered Accountants 9 Appold Street London EC2A 2AP

Trustees' Report

Who we are

Build Africa is a charity with one ultimate goal: every child learning in school. We have over 20 years' experience of fighting poverty through education and working with communities at grassroots level to address the problems their children face. We know that education has the power to transform a child's life, give them a more prosperous and healthy future, and help their entire community beat poverty and inequality.

This year, in Uganda, programmes operated by Build Africa Uganda completed their transition to being implemented directly by the parent charity Street Child.

In Kenya, Street Child supported Build Africa Kenya, who are an independent national organisation, to continue implementing programmes. As this funding was provided directly from Street Child to Build Africa Kenya, the expenditure is shown in the Street Child Financial Statements and not as expenditure in these Build Africa Financial Statements.

What we do

We believe that all children should be safe, in school and learning. In order to do this, we partner with a selection of national partners across Uganda and Kenya to support remote and rural communities where children are leaving school without vital foundational skills. Our unique approach helps local partners to support parents and teachers to create sustainable, effective schools and to nurture their children's learning.

Public Benefit Statement

The Charity's objects are the relief of poverty suffering sickness and distress among such poor persons resident in such areas (whether in the UK or throughout the world) as determined by the Charity.

Acquisition by Street Child

In 2019 Build Africa became part of the Street Child family when Street Child became corporate Trustee of Build Africa. Street Child believes that every child deserves the chance to go to school and learn. They understand the vital role of education in ending poverty and have projects in Kenya and Uganda as we do and in other countries including Democratic Republic of Congo, Cameroon, Mozambique, Sierra Leone, Liberia, Ghana and Nigeria in Africa, as well as in Nepal, Afghanistan and Sri Lanka in Asia. Street Child has high quality programmes that have fuelled rapid growth and it is financially robust.

On 1st October 2020 Build Africa Kenya ceased to be a branch of Build Africa and all assets and liabilities were transferred to Build Africa Kenya as an independent partner of Build Africa, supported by Street Child and with more flexibility to take forward its own fundraising in Kenya. You can read more about the support that Street Child provides to Build Africa Kenya in the Street Child Annual Report and accounts.

Build Africa will continue to fundraise to support projects funded by Street Child.

OUR PROGRAMMES

Uganda

This year, in Uganda, programmes operated by Build Africa Uganda completed their transition to being implemented directly by the parent charity Street Child. Expenditure on programmes in Uganda is therefore shown partly in these financial statements and also in the Street Child accounts.

Improving access to and quality of education in rural areas of Uganda

Working in rural communities in Kiryandongo, Ngora and Kumi, Build Africa Uganda has previously focused on ensuring that children are safe, in school and learning. In total they had supported over 13,000 children across 19 schools through the construction and renovation of school infrastructure, provision of teacher training and the distribution of teaching and learning materials.

During the previous financial year, given the improvements in enrolment, attendance and performance that we assessed in these schools and as a result of our sustainability strategy, we exited these locations and handed over the responsibility to the communities and the Government of Uganda. As a result of this, this year Street Child Uganda have provided mentoring and monitoring support to the Government in these districts to ensure that these schools continue to excel.

Street Child Uganda has also worked with the Government in order to identify new schools in rural areas where we can expand this project in the upcoming year.

Kenya

Street Child continues to invest in Nakuru and Turkana counties through direct funding from Street Child to Build Africa Kenya.

In addition, the following support in Kenya was provided directly by Build Africa to Build Africa Kenya.

Quality Education

In partnership with local partner Build Africa Kenya, we have been able to improve access to and quality of early-childhood, primary and secondary education in Laikipia, Nakuru and Turkana County. This year we have specifically focused on supporting early-childhood education to ensure that children develop strong foundational skills.

As part of this project we have improved the education infrastructure through the construction of classrooms, latrines, laboratories and administration blocks and through the provision of furniture. We have worked with the teachers at these schools to improve the quality of education through delivering a bespoke teacher training programme, providing teaching materials and organising catch up classes. Finally, we have also ensured that the most marginalised children are able to reach schools through the provision of school fee support.

In total our rural development work has supported 7,989 learners this year to access a higher quality education.

Farmers Network Project

This year we launched the new iteration of this project 'The Farmers Network Project +'. This project will look at providing additional support to the existing 1500 farmers across the 10 CBOs as well as expanding the project further to reach an additional 600 farmers. The focus will be on supporting farmers to diversify their crops, to utilise climate resilient techniques and to maximise their profit through the formation of cooperatives.

Future plans

Build Africa Uganda

Since the merger took place, Street Child Uganda and Build Africa Uganda have become a combined entity that are using both organisation's expertise to reach even more children across Uganda. This means that currently all programmes in Uganda are implemented by Street Child.

Build Africa Kenya

In Kenya, Build Africa Kenya has officially become registered as an independent local organisation, which Street Child now partners with directly to implement programmes in Kenya. We continue to work together to expand our programme portfolio to ensure that even more children in Kenya are able to access an education.

FUNDRAISING

Our supporters are key to everything we do. Each year they enable us to ensure that no child is denied an education, every child in school gets the chance to learn and every child leaves school with the skills they need. At Build Africa, we are hugely grateful to all of our donors and focus on building long lasting relationships based on trust and respect. We are fully committed to being transparent and accountable about how our supporter's donations are used.

Build Africa's primary source of income is its amazing donor base who have continued to give generously in the year.

Some major and long standing Build Africa donors have been in dialogue with Street Child about how their funds could be used to support projects in Uganda and Kenya in the ongoing projects in those countries operated by Street Child, and have made significant and generous gifts directly to Street Child during the year, which we are exceedingly grateful for. These donations have been included in the results of Street Child for the year ended 31 March 2023 (see Note 21 for how to contact Street Child).

TRUSTEE RESPONSIBILITIES

How we manage our affairs

Build Africa is a charitable company limited by guarantee, incorporated and registered in England and Wales under company number 2200793 and charity number 298316.

Since becoming part of the Street Child Group, the Charity has been under the overall governance of the Group.

The Street Child Board meets at least four times a year and is responsible for the overall direction of the Charity and for core strategic policies, having regard to the advice of the Chief Executive. The Trustees delegate the day-to-day running of the charity to the Chief Executive.

Recruitment and appointment of Trustees

The appointment of the Trustees is carried out having regard to the needs of the organisation, the suitability and skill of the candidate and by interview of interested parties.

Induction and training of new Trustees

We make new Trustees aware of their legal obligations under charity law and company law. New Trustees are given the required training to enable them to undertake their roles and to ensure that they act in the best interests of the charity. When they are appointed they receive briefing and background information about the charity from senior management, including governance, finance and current strategies and plans. All Trustees have the opportunity to see our programmes at their own expense.

Fundraising standards and our approach to fundraising

Street Child group employs a team of professional fundraisers, all of whom follow the best practice and legal requirements set out in The Code of Fundraising Practice, as well as those required under charity law and wider law. There was no reported failure to comply with The Code of Fundraising Practice. Outside of the team of professional fundraisers, Street Child's volunteer fundraisers were all provided with relevant training or guidance notes including, where relevant, links to the necessary legal and best practices from the Institute of Fundraising. Agreed fundraising targets were monitored through reports provided by our online giving platforms and through regular communication and mentoring of volunteer fundraisers.

Street Child group commercial partners are all subject to agreeing a Commercial Participator's Agreement that sets out the terms of the partnership including, but not limited to, payment plans, use of brand, inclusions/exclusions of the partnership and use of the agreed fundraising statement. Our data protection statement and marketing opt-ins were reviewed and updated to ensure only appropriate and relevant communications were sent to those supporters who had requested said information. Our electronic communications platform also offers the opportunity to opt out at every stage of mass communication.

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FOR THE YEAR ENDED 31 MARCH 2023

Street Child's policy has never been to buy or sell supporter data or mailing lists. Our approach is to engage and inspire supporters through our events, through social media and other communications platforms and by our work.

Organisation and management

Build Africa is based in the United Kingdom in London, with a branch in Uganda (Build Africa Uganda) where our projects are implemented and working closely with our partner in Kenya (Build Africa Kenya).

FINANCES

Review of 2022/23 financial position and fundraising activities

During the 2022/23 financial year, Build Africa raised £440,939 (2022: £688,927) of income and had expenditure of £677,126 (2022: £480,393) before foreign exchange gains and losses.

This resulted in a loss of £236,186 (2022: surplus of £208,861 for the year after foreign exchange gains and losses).

In accordance with the charity SORP, support costs have been allocated between charitable activities and fundraising. Build Africa spent 98% (2022: 97%) of its total expenditure on charitable activities and 2% (2022: 3%) on fundraising. This is because fundraising activities have transferred to Street Child and so Build Africa only incurs the costs of collecting regular income.

The reduction in income was due to a fall income from Donations and Gifts and Grants receivable due to some major donors also transferring their gifts to Street Child, where work in Uganda and Kenya is being carried forwards and grants ending. There was a decrease in legacy income after a strong year last year.

Restricted expenditure on Charitable activities fell from £458,259 in the prior year to £154,402 in the current year as grants ended during the year.

Unrestricted expenditure on Charitable activities increased to £509,176 (2022: £6,027). This reflects the grant that the Build Africa provided to the parent charity Street Child in support of its work.

Unrestricted reserves were £94,845 at the end of the financial year compared to £278,841 in the prior year.

As all restricted programmes have now ended, the Restricted fund balances was nil at the end of the year, compared to £52,190 at the start of the year. At this stage, it is not expected that Build Africa will receive any more restricted funding.

Reserves Policy

Reserves are assessed at both the whole the whole group and individual charity levels.

For Build Africa as a separate entity the reserves policy is to hold running costs of three months of running costs. At the date of signing the accounts Build Africa had no employees and no longer leased an office building, having moved into the Street Child offices.

Running costs are mainly for direct fundraising and administration and lead to a target level of unrestricted reserves of £32k. Build Africa unrestricted reserves are considerably above this level at present at £94,845 (2022: £278,841)

Street Child Group's reserves policy is to maintain reserves within a range set with reference to key risks, and calibrated against the level of reserves that would be required to fund three to six months of operating costs.

The largest two risks facing Street Child are a fall or under-performance in Unrestricted income, and/or the need to use Unrestricted funds to cover Restricted Programme costs, for instance because of cost disallowed by the funders.

This quantification of reserves will be carried out on an annual basis as part of the budget setting process which concludes in March each year. At this stage the Trustees will consider if any of the major risks have changed, and also the quantification of the reserves in line with the budget.

For Street Child Group the reserves target is £0.75m to £1.5m, with a mid-range target of £1.1m. Street Child Group unrestricted reserves at 31 March 2023 of £1.1m (2022: £1.2m) were ahead of the mid-range target.

Risk management and internal control

The Trustees are fully aware of the need to assess the risks faced by the charitable group and to minimise those risks. They have conducted a comprehensive process to identify, assess and manage risks. This culminates in a register of risks, with all risks being scored for likelihood and impact and management strategies and timetables being established. The risk register is reviewed by the Finance Committee every quarter and at every Board Meeting (also quarterly) to assess all risk factors identified in the risk register and ensure that all Trustees are fully abreast of the risk situation in the organisation.

In addition to the organisational risk register, each country programme holds a register for all large projects, which have their own risk registers that are used by project management teams to make operational decisions. All fundraising events have their own risk assessments.

While no system of internal control can provide absolute assurance against material misstatement or loss, Street Child Group's systems have been developed to provide assurance to the Board that there are proper procedures in place and that they are operating effectively.

Key elements of the system of risk management and internal control include:

- Delegation: there is a clear organisational structure with lines of authority and responsibility for control; and procedures for reporting decisions, actions and issues.
- A clear, comprehensive documented suite of financial procedures accessible to all staff.
- Financial Reporting: the Board approves and monitors the annual budget and income projections. Each Board meeting receives an update on the latest forecast income and expenditure together with explanations of significant variations. The Finance Committee reviews the financial reports in detail and agrees any appropriate management actions; minutes from this Committee's meetings are presented to the Board.
- Programme reporting: regular reports are received by the Chief Executive from the country leads. These are reviewed to ensure that the programmes are progressing as planned and to identify any issues which are followed up as necessary. Written quarterly updates are provided to the Board along with any issues, risks or opportunities.

The principal risks and uncertainties facing the charitable group, as identified by the Trustees of Street Child include the following:

- Unrestricted Income being insufficient to support institutional restricted funding or pursuing opportunities for investment. This is mitigated by careful monitoring of income compared to budget and forecast, and the pipeline income and by ensuring that costs are carefully managed.

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- Unsatisfactory Programmes impact, or donors consider project impact to be unsatisfactory. We continue to invest in quality in-country programme and finance teams to ensure that we can meet donor requirements.

Trustees/Directors

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.

Statement of the Board of Trustee' responsibilities for the financial statements

The Trustees, who are also directors of Build Africa for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts 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 the fifteen months period of financial activities and not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the Charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis.

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

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.

Each of the directors, who held office at the date of approval of this Trustees' Report, has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are made aware of such information.

On behalf of the Board of Trustees,



Gabriele Cipparrone, Trustee

30th January 2024

Auditor's Report**Opinion**

We have audited the financial statements of Build Africa ('the charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are

required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustee's Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Moore Kingston Smith LLP

9 Appold Street
London
EC2A 2AP

Date: 30th January 2024

BUILD AFRICA

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	Notes	£	£	£	£
Income from:					
Donations & Legacies	2	338,727	102,212	440,939	688,927
Total Income		<u>338,727</u>	<u>102,212</u>	<u>440,939</u>	<u>688,927</u>
Expenditure On:					
Raising funds	3	13,547	-	13,547	16,107
Charitable activities	3	509,176	154,402	663,578	464,286
Total Expenditure		<u>522,723</u>	<u>154,402</u>	<u>677,126</u>	<u>480,393</u>
Net income/(expenditure)		(183,996)	(52,190)	(236,186)	208,533
Foreign exchange gain /(loss)		-	-	-	327
Transfers between funds		-	-	-	-
Net income/(expenditure) for the year and net movement in funds		<u>(183,996)</u>	<u>(52,190)</u>	<u>(236,185)</u>	<u>208,861</u>
Total funds brought forward	10	<u>278,841</u>	<u>52,190</u>	<u>331,031</u>	<u>122,170</u>
Total funds carried forward	10	<u>94,845</u>	<u>-</u>	<u>94,845</u>	<u>331,031</u>

All income and expenditure derive from continuing operations.

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

BUILD AFRICA**BALANCE SHEET AS AT 31 MARCH 2023**

		2023		2022	
	Notes	£	£	£	£
Current assets					
Debtors	7	-		183,664	
Cash at bank and in hand		203,385		177,254	
		<hr/>		<hr/>	
		203,385		360,918	
Creditors: amounts falling due within one year					
	8	(108,540)		(29,887)	
		<hr/>		<hr/>	
Net current assets					
			94,845		331,031
			<hr/>		<hr/>
Total assets less current liabilities					
			94,845		331,031
			<hr/>		<hr/>
Funds					
Restricted funds	10		-		52,190
Unrestricted funds			94,845		278,841
			<hr/>		<hr/>
			94,845		331,031

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 and authorised for issue by the Board of Trustees on 30th January 2024 and signed on their behalf by



Gabriele Ciparrone
Trustee
Company registration number 2200793

The accompanying notes form part of these accounts

STATEMENT OF CASHFLOWS AS AT 31 MARCH 2023

	2023	2022
	£	£
Net cash (outflow)/inflow from operating activities	26,132	33,762
Cash flows from Investing Activities		
Foreign exchange loss	-	327
Net cash used in investing activities	-	327
(Decrease)/Increase in cash and cash equivalents	26,132	34,089
Cash and cash equivalents at the beginning of the period	177,254	143,165
Cash and cash equivalents at the end of the period	203,386	177,254

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net Movement in Funds	(236,185)	208,861
Losses on foreign exchange	-	(327)
Decrease/(Increase) in debtors	183,664	(147,372)
Increase/(Decrease) in creditors	78,654	(27,400)
Net Cash outflow from operating activities	26,132	33,762

	2023	2022
	£	£
Analysis of cash and cash equivalents and net debt		
Opening balance	177,254	143,165
Cash-Flows	26,132	34,089
Closing balance	203,386	177,254

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102) including Update Bulletin 2), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Build Africa meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 2200793) and a charity registered in England and Wales (charity number: 298316). The Charity's registered office address is: 33 Creechurch Lane, London, EC3A 5EB.

b) Preparation of accounts on a going concern basis

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern.

The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The charity started the year with unrestricted reserves of £278,841 and closed the year with Unrestricted reserves of £94,845.

In assessing whether Build Africa is a going concern, the Trustees have also considered the reserves of the Street Child charitable group, of which the charity is a wholly owned subsidiary. The trustees have considered the group forecasts and projections and have taken account of pressures on donation and grant income and cash flow for 12 months from the date of approval of the financial statements, the associated assumptions that under-pin it, the pipeline of new income and the steps that could be taken to reduce expenditure should this be necessary.

The Trustees are satisfied that the group has sufficient resources to continue in operational existence for the foreseeable future. The group is largely sheltered has a loyal donor base and a significant grant pipeline. Annual budgets include prudent figures for both income and expenditure and the charity holds reserves within the policy set out in the reserves policy and has liquid assets in the form of cash held in short term deposits.

The Trustees have concluded that with the reserves policy and cash liquidity requirements of the charity together with the commitment of support received from Street Child, the ultimate controlling party, there are no material uncertainties as to the charity's ability to continue in operational existence for the foreseeable future.

The charity therefore continues to adopt the going concern basis in preparing its financial statements.

c) Income

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

d) Fund Accounting

Unrestricted Funds are available for use at the discretion of the Trustees to spend on activities that further any of the charitable objectives of the charity.

Restricted funds are donations which the donor has specified are to be spent on specific activities of the charity, often as set out in a funder project or grant agreement.

e) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

f) Allocation of overhead and support costs

Overhead, support and governance costs are allocated between the cost of raising funds and charitable activities. Overhead, support and governance costs relating to charitable activities have been apportioned between activities.

Support costs represent the cost in all locations of providing support for the Charity's programmes including management and technical support.

g) Costs of raising funds

The costs of generating funds consist of the costs of raising funds including an apportionment of overhead, support and governance costs.

h) Charitable activities

Charitable activities are for improving the lives of children and young people in situations of conflict and poverty. We do this by working to support children's education, learning and protection. Costs of charitable activities include grants payable and other costs directly associated with teacher training, school building, juvenile justice and an apportionment of overhead, support and governance costs.

i) Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

(j) Tangible fixed assets and depreciation

Tangible Fixed Assets costing more than £5,000 are capitalised.

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost on a straight line basis over their useful lives as follows:

Computer equipment and software	3 years
Fixtures, fittings & equipment	5-8 years
Motor vehicles	4 years

Programme assets are not capitalised.

k) Leasing and hire purchase commitments

Rentals payable under operating leases are charged to the Statement of Financial Activities on an accruals basis over the period of the lease.

l) Pensions

The pension cost charged to the Statement of Financial Activities represents amounts payable by the Charity in the accounting period. The Charity contributes to employees' personal pension plans which are part of the Charity's group stakeholder scheme.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Total 2023 £	2022 £
Donations and Gifts	287,433	97,212	384,646	453,097
Legacies	51,294	-	51,294	181,887
Grants receivable	-	5,000	5,000	53,944
	338,727	102,212	440,939	688,927

3. EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Cost of Raising Funds:				
Costs of generating voluntary income : Other Costs	12,314	-	12,314	12,702
Support Costs	1,233	-	1,233	3,405
Total cost of raising funds	13,547	-	13,547	16,107

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Cost of charitable activities:				
Direct Project Costs	507,944	154,402	662,346	460,881
Support Costs	1,233	-	1,233	3,405
Total Charitable Activities	509,176	154,402	663,579	464,286

Total expenditure	522,723	154,402	677,126	480,392
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Unrestricted Direct Project Costs include a grant for £500,000 from Build Africa to the Charitable parent company Street Child.

Support costs are apportioned between fundraising and charitable activities based on staff time spent on these activities.

Governance costs	2023 £	2022 £
Costs relating to Governance comprise:		
Audit fees	7,860	9,540
	7,860	9,540

4. DIRECTORS

No Directors/Trustees (or any persons connected with them) received remuneration during the year (2022: nil).

No Directors/Trustees were reimbursed for travel expenses incurred in attending Board meetings in the year (2022: nil). No Director/Trustee was reimbursed for expenses for overseas visits to programmes in Kenya and Uganda (2022: nil).

5. STAFF COSTS**Number of Employees**

The average number of employees during the year was:

	2023	2022
Programmes/charitable activities	-	2
Fundraising and communications	-	-
Management and Administration	-	1
	<u>-</u>	<u>3</u>

In 2022 Build Africa Uganda staff moved from Build Africa Uganda contracts to Street Child Uganda Contracts.

	2023	2022
Employment Costs	£	£
Wages and salaries	-	102,477
	<u>-</u>	<u>102,477</u>

The total employee benefits of the key management personnel were £nil (2022: nil).

No employee received remuneration of £60,000 or more.

BUILD AFRICA**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****6. OVERSEAS ORGANISATIONS**

In order to operate in Uganda, Build Africa is required by local legislation to establish a 100% controlled locally registered organisation. This organisation is treated as a branch of Build Africa and their accounts are included within the accounts of Build Africa.

	Build Africa Uganda	
	2023	2022
	£	£
Income and endowments from:		
Donations and legacies	-	244,618
Total income	-	244,618
Expenditure on		
Charitable activities	14,514	287,539
Total Resources Expended	14,514	287,539
Net income/expenditure before gains/losses on foreign exchange	(14,514)	(42,921)
Foreign exchange gain/(loss)	-	2,287
	(14,514)	(40,634)
Fund balances at beginning of the year	14,514	55,148
Fund balances at the end of the year	-	14,514

The assets and liabilities of the entities were:

	Build Africa Uganda	
	2023	2022
	£	£
Assets	-	16,862
Liabilities	-	(2,348)
Total net assets	-	14,514
Restricted funds	-	14,514
Aggregate reserves	-	14,514

7. DEBTORS

	2023	2022
	£	£
Intercompany with Street Child	-	163,116
Accrued income	-	2,000
Prepayments and other debtors	-	18,548
	-	20,548

8. CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Intercompany with Street Child	100,662	-
Accruals & other creditors	7,860	11,888
Trade creditors	18	17,932
Intercompany with Lessons for Life	-	67
	108,540	29,887

9. RESTRICTED FUNDS

	As at 1 April 2022	Income	Expenditure	Transfer between funds	As at 31 March 2023
	£	£	£	£	£
Projects in Uganda					
BUKEDEA Cluster	6,511	-	(6,511)	-	-
MASINDI Cluster	2,603	-	(2,603)	-	-
CTS (MRKS)	(5,000)	5,000	-	-	-
Total for Uganda Projects	4,114	5,000	(9,114)	-	-
Projects in Kenya					
Medicor : Quality Education	29,773	97,212	(126,985)	-	-
ECD Lopuski	18,304	-	(18,304)	-	-
Total for Kenya Projects	48,076	97,212	(145,288)	-	-
Total Restricted Funds	52,190	102,212	(154,402)	-	-

	As at 1 April 2021	Income	Expenditure	Transfer between funds	As at 31 March 2022
	£	£	£	£	£
Projects in Uganda					
BUKEDEA Cluster	85,843	-	(79,332)	-	6,511
MASINDI Cluster	52,066	-	(49,463)	-	2,603
Bridging the Gap	-	53,534	(53,534)	-	-
CTS (MRKS)	60,148	53,944	(119,092)	-	(5,000)
SWESWE/ Kyaka Classrooms	60,000	-	(60,000)	-	-
Total for Uganda Projects	258,057	107,478	(361,421)	-	4,114
Projects in Kenya					
EBURRU Cluster	35,356	-	(35,356)	-	-
Medicor : Quality Education	32,227	50,000	(52,454)	-	29,773
Farmers Network Project	7,838	-	(7,838)	-	-
Kenya: ECD Lopuski	-	18,304	-	-	18,304
Mariosoni	1,190	-	(1,190)	-	-
Total for Kenya Projects	76,610	68,304	(96,838)	-	48,076
COVID response	(1,788)	-	-	1,788	-
Total Restricted Funds	332,879	175,782	(458,259)	1,788	52,190

Explanation of Restricted Funds

Transfers from Unrestricted funds into Restricted funds represent Street Child Group Unrestricted funds being applied to Restricted grants

Transfers from Restricted funds into Restricted funds represent small balances moved for completed grants into Unrestricted funds.

Funds with negative balances at 31 March 2020 are ongoing grants reimbursed in arrears by the funder and income has been received after the year end.

Transfers between funds represent project funded by one donor where there is flexibility as to where the funds are allocated between projects.

Masinidi Cluster: All Cluster models work in eight schools in the geographic areas specified. They aim to transform education for every child and are tailored to every school based on extensive situation analysis, including enrolment data and infrastructural assessment. The project works in communities, engaging parents in VSLAs so they are able to afford their children's schooling. It transforms the educational environment through a complete renovation of learning and WASH facilities, as well as providing learning resources to inspire and stimulate children. Finally, it trains teachers in best practice, to raise the quality of education for every child.

Mum's Read (Change the Story/CTS): Working in 40 communities in Oyam and Kiryandongo in Uganda the project will reach over 2,000 young mums. It will equip them with literacy, numeracy, childcare and life skills to promote their own and their children's wellbeing. A parallel programme will engage community leaders and male care givers to empower them to meaningfully include women.

FNP (Farmers Network Project): An extension of the first phase of Farmers Network Project, this project enhances the systematic nature of the agricultural training, differentiating between cash crops and food crops. A more holistic programme, the project aims to have a continued positive impact on economic security, business investment and agricultural skills. It will also help household budgeting skills, time and labour management and equip parents with the skills to nurture their children's learning in the home.

Eburru Cluster: All Cluster models work in eight schools in the geographic areas specified. They aim to transform education for every child and are tailored to every school based on extensive situation analysis, including enrolment data and infrastructural assessment. The project works in communities, engaging parents in VSLAs so they are able to afford their children's schooling. It transforms the educational environment through a complete renovation of learning and WASH facilities, as well as providing learning resources to inspire and stimulate children. Finally, it trains teachers in best practice, to raise the quality of education for every child.

BUILD AFRICA**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****10. RESERVES SUMMARY**

2023	As at 1 April 2022	Income	Expenditure	Foreign Exchange Movement	Transfers between funds	As at 31 March 2023
	£	£	£	£	£	£
Unrestricted	278,841	338,727	(522,723)	-	-	94,845
Restricted	52,190	102,212	(154,402)	-	-	-
Total Reserves	331,031	440,939	(677,127)	-	-	94,845

2022	As at 1 April 2021	Income	Expenditure	Foreign Exchange Movement	Transfers between funds	As at 31 March 2022
	£	£	£	£	£	£
Unrestricted	(210,709)	513,145	(22,135)	327	(1,788)	278,841
Restricted	332,879	175,782	(458,259)	-	1,788	52,190
Total Reserves	122,170	688,927	(480,393)	327	-	331,031

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2023	Unrestricted funds	Restricted funds	Total
	£	£	£
Net Current Assets	94,845	-	94,845
	94,845	-	94,845

2022	Unrestricted funds	Restricted funds	Total
	£	£	£
Net Current Assets	278,841	52,190	331,031
	278,841	52,190	331,031

12. RELATED PARTY TRANSACTIONS

Included in Creditors is an amount owing to Street Child of £100,662 (Prior year an amount owing from Street Child of £33,957).

During the year, the Trustees of Build Africa considered and awarded a grant of £500,000 to Street Child.

At 31 March 2023 Build Africa owed the following amounts to charities who are controlled by Street Child: Lessons for Life Foundation £nil (2022: £67).

13. CAPITAL COMMITMENTS

There were no capital commitments not provided for in the financial statements (2022: none).

14. ULTIMATE PARENT COMPANY

The company is a subsidiary of Street Child, a charitable company registered in England and Wales (Company No. 06749574, Charity No. 1128536).

Copies of group financial statements are available from the registered office of the parent at:

33 Creechurch Lane, London. EC3A 5EB