

Charity Registration No. 1123529

Company Registration No. 06453871 (England and Wales)

AFRICAN IMPACT FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

AFRICAN IMPACT FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|--|-----------------------------|
| Trustees | G. Bows A. Procter D. Cutbill L. Henley S. Graham T. Almoayed | (Appointed 16 January 2019) |
| Executive Director | M. Procter | |
| Charity number | 1123529 | |
| Company number | 06453871 | |
| Registered office | 20 Chapmore End Ware Hertfordshire SG12 0HF | |
| Independent examiner | HB Accountants Amwell House 19 Amwell Street Hoddesdon Herts EN11 8TS | |

AFRICAN IMPACT FOUNDATION

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AFRICAN IMPACT FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report and financial statements for the year ended 31 December 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Foundation's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The charity's objects are:

1. To promote for the benefit of the public in Africa the conservation, protection and improvement of the physical and natural environment.
2. To promote sustainable development for the benefit of the public in Africa by:
 - a) the preservation, conservation and protection of the environment and the prudent use of resources; and
 - (b) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities. Sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

South Africa

Cape Town

Sports Development: With our partner, Sporting Chance, we funded two sports tournaments in 2019 for 313 students to play cricket, netball, and football, and employed 42 local community coaches. There was a one day Sports Derby Day for multiple schools in April, and a seven-week Street Sports Tournament in October and November, bringing schools from multiple communities in the Cape Flats together. Students received jerseys, equipment, transportation, food and refreshments, and awards for their participation and hard work.

Kuyasa Educare Centre: Located in the township of Khayelitsha, we are supporting the Kuyasa Educare Centre as they take the necessary steps to become a government accredited school. After a terrible storm at the beginning of 2019 we were able to fund the rebuild of their roof and paint the ceiling. The inside was also cleaned and classroom resources were added to the walls. The funds enabled the school to hire workers to rebuild the roof and supply the necessary resources including nails, timber slabs for the roof, paint, roof sheets, and ceiling boards. Electricity was installed to enable lighting in the building. 11 babies and 22 toddlers benefitted from the repairs, and 26 students graduated onto primary school at the end of the year.

Grandmothers Against Poverty and Aids (GAPA): GAPA is a group of grandmothers in the township of Khayelitsha that run a safe and educational after-school programme for primary school students. To give the students an opportunity to learn, have fun, and spend time outside of Khayelitsha, we were able to fund and plan two extracurricular field trips for the students and grandmothers in 2019. A total of 212 students went to Acrobranch Constantia, an outdoor activity park, and to The Norval Foundation, a centre for art and cultural expression.

The Girl Impact (TGI): As part of our gender equality programme, The Girl Impact, we enrolled 14 women from different organisations in an Art Therapy Facilitator Training in 2019 as a way to improve mental and emotional well-being. In Cape Town, we partnered with 8 local gender equality focused organizations for 2019 to create weekly support groups for young vulnerable mothers and their children, deliver youth self-esteem workshops, teach job readiness and training sessions, and health promotion classes for elderly women.

AFRICAN IMPACT FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2019

Greater Kruger Area

Farmers of The Future: Farmers of the Future is an 18 month agro-ecology and business training programme to empower and mentor youth participants with small business and entrepreneurial skill sets to start their own businesses while being environmentally responsible. In 2019, we were able to open a second training ground to accommodate more participants. 15 participants entered Phase 1 of the curriculum, and 2 participants entered Phase 2. In partnership with a local high school, we engaged 50 students with an agriculture curriculum. We provided lessons on agro-ecology, sustainable farming, food security, income generation, and English literacy to encourage responsible career choices that will have a positive impact on the natural world around them.

Conservation: In order to more effectively research, understand, and conserve species we rely on videos and photographs from camera traps. This footage allows the African Impact research team to study the behaviour and ecology of nocturnal, elusive and endangered species. Through donations, 24 camera traps were purchased in 2019 and over 200,000 images were captured. Our anti-poaching efforts also led to us removing 28 snare traps from the area.

St. Lucia

Education Support: In 2019 we supported seven crèches in St. Lucia with much needed school supplies, toys, books, and extracurricular classes, such as reading clubs which increased the test scores by an average of 19%.

Rural Teacher Development Programme: The teachers at the crèches we support in St. Lucia are there on a volunteer basis and have little to no training. A group of 10 teachers have been going through evaluations and we are fundraising to put them through the final stages of an accredited Early Childhood Development training course. This training will ensure the students are better prepared for primary school and have a better chance of succeeding in their future education.

Family Empowerment: In 2019 we supported two families through the help of the local chief with immediate, short- and long-term needs. We provided the families with school supplies and uniforms, extra homework resources, hosted sessions for the teenagers in the families on topics such as early-teen pregnancy, and worked with the parents on their literacy. At the end of the year, we were able to start the construction of a house for one of the families desperately in need of a roof over their heads.

Medical and Home-Based Care: Access to medical care in the St. Lucia area is very limited, and the rate of HIV is extremely high. In 2019, 3,000 patients were cared for through home care visits. Through these home visits we were able to tend to wounds and minor ailments, provide emergency food parcels, and transport those in need of further treatment. Through HIV/AIDS sessions, 262 community members and students learned about prevention and awareness, and those living with the disease received resources to improve their quality of life. We plan to expand our nutrition programme through community vegetable gardens.

Zambia

Livingstone

Education Support: The schools that we work with in Livingstone are “Community Schools,” meaning they do not receive any government funding or support. Due to limited space and a large population, ‘hot-seating’ occurs, which means students only attend school for half a day with almost 80 students per classroom. In April, we funded the construction of two new classrooms at Zambezi Sawmills Community School to support its 370 students. We are now fundraising to build three new classrooms for another Community School, Libuyu.

AFRICAN IMPACT FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2019

Sponsor a Child Programme: Our Sponsor a Child programme has allowed 300 students to go to school since the programme's establishment. In 2019, 160 children were sponsored, and there was 53% female representation in the programme. The funds donated through sponsorships are used for school fees, uniforms and supplies for the student, and also supports the whole school with resources. Zamfund, a partnering American NGO, focuses on raising funds for this programme and focuses on sponsoring girls in high school.

Sponsor a Future Programme: After Sponsor a Child, the next step is to provide more options for these children to continue their studies after grade 12. Sponsor a Future provides pathways into tertiary and vocational programmes. In 2019, two high school students travelled to Ghana to participate in the Yale Young African Scholars programme (YYAS). YYAS is an intensive academic enrichment course designed for African secondary school students planning to pursue tertiary education. Following the programme, students are paired with mentors from local organizations, as well as with U.S. University students who help advise them throughout the university application process. We are supporting four students who have been accepted into college and university for 2020.

The Girl Impact (TGI): Livingstone is the flagship location for our gender equality programme. In 2019, 320 girls received reusable sanitary kits and attended workshops on self-confidence, feminine health, and life skills such as farming and gardening. Our Women's Group improved their English, attended business skills training, and were successful in earning an income through making and selling purses and bags, and hosting village tours. 76 women and students attended gender-based violence workshops, and we also hosted sessions for men and our Boy's Group who learned about the value of the girls and women in their community. We are over halfway to our fundraising target for building a Girl Impact Community Centre which will expand our workshops and support to additional community members, allow for more income-generating activities, and create a safe, encouraging space for 350 girls and women from nearby communities.

Linda Farm: Linda Farm is home to families and individuals with physical disabilities who we have supported in a variety of ways in the past few years through building hygienic toilets, and setting up a chicken coop and piggery. Linda Farm is also home to our TGI community garden, adult literacy classes, and sports club. We are working with the residents on new income generation activity plans through the Zambia Persons with Disability headquarters.

Linda Clinic: In 2014, we began building a 3-ward hospital for 10,000 people a year. Limited access to healthcare in the area means patients do not get the medical attention they need. After the main structure was built, our funding partner abruptly pulled out of the contract in 2017 after a change in their management team, forcing the construction to stop. The Department of Health has renewed its commitment to resource the hospital with trained medical staff, and building contractors are on standby to complete the building, as we fundraise for the remaining funds needed.

Chimfunshi

The chimpanzee sanctuary in northern Zambia has benefitted from equipment and improvements to assist in the care of their chimpanzees. The assistance at this project was sustainably phased out this year and our final contribution was a portion of funds towards a new enclosure for 3 chimpanzees known as the Escape Artists, to provide them with a much improved enclosure that will keep them safe and prevent their escape.

Tanzania

Moshi, Kilimanjaro

Langoni Old People's Home: In Moshi we support a variety of initiatives at the Langoni Old People's Home, such as building renovations, daily nutritious snacks, access to health care professionals, and training for the staff. In 2019, we were able to fund 24 physiotherapy sessions for the residents to receive individual exercise plans, and provided 7 residents in need with walkers. We have created an emergency medical fund that will allow the residents to receive the medication they need to improve their health that they wouldn't otherwise have access to.

AFRICAN IMPACT FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2019

The Girl Impact (TGI): Our gender equality programmes in Moshi are largely led by our Women's Groups. WAKIPA was created by 20 women in Moshi and we supported them through business training, gender equality workshops, and women's empowerment opportunities. They started their own successful and sustainable catering business, and are now mentoring other men's and girl's groups on entrepreneurship. We plan to launch an Entrepreneurial Fund to help kick start businesses in the community as part of the TGI curriculum. In 2019, we also supported the WAKIPA Women through a 3-month gender based violence curriculum, and 25 sessions were hosted on the effects of female genital mutilation.

Early Childhood Development: In 2019, one of the crèches that we work with, Shiners Nursery School, was at risk of closure after a government inspection due to a deteriorated and unsafe building for the children and teachers. We raised the money needed to complete the necessary repairs and the creche was able to stay open.

Zanzibar

Jambiani Centre: In 2019, we hosted 100 community members per week at the Jambiani Centre for beginner, intermediate, and advanced English classes. In the past few years we have raised funds to do repairs, build a well, put in a water tower, pump, plumbing and piping, and install electricity at the centre. Tourism being the main employment sector in Zanzibar, many hotel and tour company employers require computer skills. To further the employability of the adults after their graduation, we are raising money to build a computer centre and expand the classes we offer.

Early Childhood Development: In Zanzibar, we support local crèches through health and wellbeing, teaching resources and support, and renovation and construction. To ensure students are well-fed, healthy, and able to concentrate in class, we provided 37,620 servings of porridge to them in 2019. A lack of proper nutrition often leads to students getting sick, and being in such a small space means germs spread quickly. Most toilets are unsanitary and there is limited access to soap and water. In addition to providing students with porridge, we provided 160 students with soap, toothbrushes and toothpaste to improve their hygiene. At the end of the year we also supported the crèches with their annual extracurricular field trips for over 200 children.

Marine Conservation Programme: With the high volume of tourists in Zanzibar, dolphin populations are at risk due to the popularity of boat tours. We monitor tours and collect data to develop practices to protect the dolphins, and run workshops with local boat drivers to teach them about sustainable and ethical tours. In 2019, we certified 5 ethical boat drivers, bringing our programme total to 29 graduates. In addition, over 50 children attended weekly workshops to learn about marine conservation and the importance of keeping the beach and ocean clean.

Kenya

Maasai Mara

We sustainably phased out our work in the Maasai Mara program in 2019. We are waiting to hear feedback on the seed-balls that were planted as a result of a previous project funded which will help introduce indigenous shrubs into areas affected by soil erosion. There was no further income or expenditure.

Limuru

We sustainably phased out our work in Limuru in 2019 and there was no further income or expenditure. We are waiting to hear news of the completion of the Kikuyu paediatric ward in Kikuyu community.

Financial review

Unrestricted donations were similar to last year, but this year £28,694 was received in respect of internships which boosted general funds. Restricted gifts for the projects fell from ££104,129 to £86,160. Fundraising auction expenditure was less which meant that the income derived was less. General charitable expenses rose from £27,793 to £50,560, this being due to operational expenses increasing by £22,766. Restricted expenses rose from £56,866 to £81,783, this being the use of the the income from last year. At the year end total funds were £94,099 as compared with £84,519. The trustees are therefore satisfied with the result for the year and the financial position at the year end.

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

AFRICAN IMPACT FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2019

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

Structure, governance and management

The Foundation, which is registered with the Charity Commission under number 1123529 and it is also a registered company, limited by guarantee, under the Companies Act 2006 under number 06453871. It is established under its Memorandum and Articles of Association dated 14 December 2007, as amended by a resolution passed on 1 April 2008.

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

G. Bows

A. Procter

D. Cutbill

L. Henley

S. Graham

T. Almoayed

(Appointed 16 January 2019)

Trustees are appointed by an ordinary resolution and are appointed by the existing trustees. Those appointed by ordinary resolution must retire at the next Annual General Meeting. Trustees can also be appointed at a General Meeting. Trustees shall not number less than three, but are not subject to a maximum.

The organisational and decision making structure of the Foundation is a fairly flat one. This provides for efficient decision making capabilities with a quick turnaround time on the ground which is reflected in the tangible results of the Foundation's achievements. There are four trustees who are required to provide approval on any decision which exceeds a particular value. The Executive Director is responsible and accountable to the trustees for the compliance, daily management and function of the Foundation. The Executive Director has a regional team of representatives who carry out the daily groundwork. They work within set objectives which are reviewed and measured from a sustainability and performance point of view every quarter. This structure is currently working well for the Foundation.

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

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D. Cutbill

Trustee

Dated:

AFRICAN IMPACT FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees, who are also the directors of African Impact Foundation for the purpose of company law, are responsible for preparing the Trustees' Report 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 give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

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

AFRICAN IMPACT FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF AFRICAN IMPACT FOUNDATION

I report to the trustees on my examination of the financial statements of African Impact Foundation (the Foundation) for the year ended 31 December 2019.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

HB Accountants

Amwell House
19 Amwell Street
Hoddesdon
Herts
EN11 8TS

Dated:

AFRICAN IMPACT FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2019 £ | Total 2018 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| <u>Income from:</u> | | | | | |
| Donations | 3 | 49,258 | 86,160 | 135,418 | 126,602 |
| Fundraising | 4 | 32,214 | - | 32,214 | 49,501 |
| Total income | | <u>81,472</u> | <u>86,160</u> | <u>167,632</u> | <u>176,103</u> |
| <u>Expenditure on:</u> | | | | | |
| Raising funds | 5 | 25,709 | - | 25,709 | 37,141 |
| Charitable activities | | 50,560 | 81,783 | 132,343 | 84,659 |
| Total resources expended | | <u>76,269</u> | <u>81,783</u> | <u>158,052</u> | <u>121,800</u> |
| Net income for the year/ Net movement in funds | | 5,203 | 4,377 | 9,580 | 54,303 |
| Fund balances at 1 January 2019 | | 7,648 | 76,871 | 84,519 | 30,216 |
| Fund balances at 31 December 2019 | | <u>12,851</u> | <u>81,248</u> | <u>94,099</u> | <u>84,519</u> |

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

All income and expenditure derive from continuing activities.

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

AFRICAN IMPACT FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2019

| | Notes | 2019 £ | £ | 2018 £ | £ |
|---|-------|---------------|---------------|----------------|---------------|
| Current assets | | | | | |
| Debtors | 10 | 11,464 | | 30,559 | |
| Cash at bank and in hand | | 85,035 | | 87,980 | |
| | | <u>96,499</u> | | <u>118,539</u> | |
| Creditors: amounts falling due within one year | 11 | (2,400) | | (34,020) | |
| Net current assets | | | <u>94,099</u> | | <u>84,519</u> |
| Income funds | | | | | |
| Restricted funds | 12 | | 81,248 | | 76,871 |
| Unrestricted funds | | | 12,851 | | 7,648 |
| | | | <u>94,099</u> | | <u>84,519</u> |

The Foundation is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2019.

The trustees acknowledge their responsibilities for ensuring that the Foundation keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the Foundation as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Foundation.

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

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

The financial statements were approved by the trustees on

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D. Cutbill

Trustee

Company Registration No. 06453871

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Charity information

African Impact Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 20 Chapmore End, Ware, Hertfordshire, SG12 0HF.

Every member of the company undertakes to contribute in a winding up a sum not exceeding £1 whilst they are a member, or within one year after ceasing to be a member, towards debts and liabilities contracted before ceasing to be a member.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Foundation's articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Foundation is a Public Benefit Entity as defined by FRS 102.

The Foundation has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the Foundation will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the Foundation's ability to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Foundation.

1.4 Incoming resources

Income is recognised when the Foundation is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been categorised under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (continued)

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Foundation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Critical accounting estimates and judgements

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

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

3 Donations

| | Unrestricted funds | Restricted funds | Total 2019 | Total 2018 |
|-------------------------------------|-----------------------|---------------------|----------------|----------------|
| | £ | £ | £ | £ |
| Donations | 20,564 | 86,160 | 106,724 | 126,602 |
| Internship income | 28,694 | - | 28,694 | - |
| | <u>49,258</u> | <u>86,160</u> | <u>135,418</u> | <u>126,602</u> |
| For the year ended 31 December 2018 | <u>22,473</u> | <u>104,129</u> | | <u>126,602</u> |

4 Fundraising income

| | Unrestricted funds 2019 £ | Unrestricted funds 2018 £ |
|--------------------|------------------------------------|------------------------------------|
| Auction income | 31,118 | 47,394 |
| Merchandise income | 1,096 | 2,107 |
| | <u>32,214</u> | <u>49,501</u> |

5 Raising funds

| | Unrestricted funds 2019 £ | Unrestricted funds 2018 £ |
|----------------------------------|------------------------------------|------------------------------------|
| <u>Fundraising and publicity</u> | | |
| Staging fundraising events | 1,869 | 3,899 |
| Cost of auction item | 23,840 | 33,242 |
| | <u>25,709</u> | <u>37,141</u> |

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Charitable activities

| | 2019 £ | 2018 £ |
|--|----------------|---------------|
| Staff costs | 16,331 | 20,400 |
| Project costs | 81,783 | 56,866 |
| Operational expenses | 27,221 | 4,455 |
| Foreign exchange (gains)/losses | (2,947) | (1,642) |
| Travel | 753 | - |
| Marketing | 3,153 | - |
| Interns | 2,184 | - |
| | <u>128,478</u> | <u>80,079</u> |
| Share of support costs (see note 7) | 1,573 | 2,180 |
| Share of governance costs (see note 7) | 2,292 | 2,400 |
| | <u>132,343</u> | <u>84,659</u> |
| Analysis by fund | | |
| Unrestricted funds | 50,560 | 27,793 |
| Restricted funds | 81,783 | 56,866 |
| | <u>132,343</u> | <u>84,659</u> |

7 Support costs

| | Support costs £ | Governance costs £ | 2019 £ | Support costs £ | Governance costs £ | 2018 £ |
|---|--------------------|--------------------------|--------------|--------------------|--------------------------|--------------|
| Admin and legal | 1,050 | - | 1,050 | 1,462 | - | 1,462 |
| Bank charges | 523 | - | 523 | 718 | - | 718 |
| Accountancy | - | 2,292 | 2,292 | - | 2,400 | 2,400 |
| | <u>1,573</u> | <u>2,292</u> | <u>3,865</u> | <u>2,180</u> | <u>2,400</u> | <u>4,580</u> |
| Analysed between Charitable activities | <u>1,573</u> | <u>2,292</u> | <u>3,865</u> | <u>2,180</u> | <u>2,400</u> | <u>4,580</u> |

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Foundation during the year.

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2019 Number | 2018 Number |
|-------------------------|----------------|----------------|
| | 1 | 1 |
| | <u>1</u> | <u>1</u> |
| Employment costs | 2019 | 2018 |
| | £ | £ |
| Wages and salaries | 16,331 | 20,400 |
| | <u>16,331</u> | <u>20,400</u> |

No employee received remuneration amounting to more than £60,000 in this year or the prior year.

10 Debtors

| | 2019 £ | 2018 £ |
|---|---------------|---------------|
| Amounts falling due within one year: | | |
| Trade debtors | 4,404 | 24,788 |
| Other debtors | 2,903 | - |
| Prepayments and accrued income | 4,157 | 5,771 |
| | <u>11,464</u> | <u>30,559</u> |
| | <u>11,464</u> | <u>30,559</u> |

11 Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|------------------------------|--------------|---------------|
| Other creditors | - | 31,620 |
| Accruals and deferred income | 2,400 | 2,400 |
| | <u>2,400</u> | <u>34,020</u> |
| | <u>2,400</u> | <u>34,020</u> |

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Restricted funds

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

| | Movement in funds | | | |
|-------------------------|------------------------------|-----------------------|--|--------------------------------|
| | Balance at 1 January 2019 | Incoming resources | Resources expended 31 December 2019 | Balance at 31 December 2019 |
| | £ | £ | £ | £ |
| South Africa: Cape Town | 8,346 | 10,606 | (11,287) | 7,665 |
| South Africa: St. Lucia | 2,685 | 5,685 | (3,548) | 4,822 |
| South Africa: Kruger | 15,902 | 10,069 | (7,396) | 18,575 |
| Zambia: Livingstone | 22,875 | 22,818 | (25,289) | 20,404 |
| Zambia: Sponsor A Child | 12,584 | 18,206 | (20,290) | 10,500 |
| Zambia: Chimfunshi | 2,477 | 17 | (219) | 2,275 |
| Tanzania: Moshi | 4,030 | 6,134 | (5,615) | 4,549 |
| Tanzania: Zanzibar | 4,069 | 7,007 | (4,345) | 6,731 |
| Kenya: Masai Mara | 113 | 21 | - | 134 |
| Kenya: Limuru | 22 | - | - | 22 |
| Other | 3,768 | 1,716 | (3,768) | 1,716 |
| General | - | 3,227 | - | 3,227 |
| Girl Impact | - | 654 | (26) | 628 |
| | <u>76,871</u> | <u>86,160</u> | <u>(81,783)</u> | <u>81,248</u> |

13 Analysis of net assets between funds

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total 2019 £ | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total 2018 £ |
|---|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 31 December 2019 are represented by: | | | | | | |
| Current assets/(liabilities) | 12,851 | 81,248 | 94,099 | 7,648 | 76,871 | 84,519 |
| | <u>12,851</u> | <u>81,248</u> | <u>94,099</u> | <u>7,648</u> | <u>76,871</u> | <u>84,519</u> |

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

14 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

| | 2019 | 2018 |
|------------------------|-------------------|-------------------|
| | £ | £ |
| Aggregate compensation | 16,331 | 20,400 |
| | <u> </u> | <u> </u> |