

**AFRIKIDS**  
**TRUSTEES REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

# AFRIKIDS

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	John Hickman - Chairman David Atugiya - Treasurer Nicholas Fry Anna Maria Kennedy - Secretary Hugh Taylor
<b>Director</b>	Georgina Fienberg
<b>Director</b>	Sally Eastcott
<b>Secretary</b>	Anna Maria Kennedy - Secretary
<b>Charity number</b>	1093624
<b>Principal address</b>	Haskell House 152 West End Lane London NW6 1SD
<b>Auditors</b>	Arram Berlyn Gardner 30 City Road London EC1Y 2AB

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# AFRIKIDS

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# **AFRIKIDS**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2010**

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The trustees present their report and accounts for the period 1<sup>st</sup> January - 31 December 2010.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 1993 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

#### **Structure, Governance and Management**

AfriKids is a registered charity with the charity commission, registration number 1093624. The trustees who served during the year were:

John Hickman - Chairman  
David Atugiya- Treasurer  
Nicholas Fry  
Anna Maria-Kennedy – Secretary  
Hugh Taylor

David Atugiya was made Treasurer in October.

Associate members who served during the year were:

Duncan Spencer  
Vedrana Bilanovic

#### **Risk Assessment**

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

#### **Chairman's comments**

It is with enormous admiration for their dedication, professionalism and success that I am writing this short summary of AfriKids' work during 2010.

I revisited Ghana in October for the first time for two years, and once again was struck by the dedication and skill of Nick Kumah's Ghanaian team and by the impact of their work. The transparency of all that they do is clear to see. Of particular interest was the progress made by the Medical Centre team which is truly remarkable and is now of a size to be described as a hospital. The addition of three wards and an ante-natal wing will be an obvious benefit. Also, the link forged during the year with Southampton University Hospitals NHS Trust is already being of tremendous benefit; we have Nick Eastcott to thank for this for his months of tireless work

The ground-breaking work of Operation Fresh Start deserves a mention. I was delighted to bring home some braid bought from a girl who had been trafficked, was rescued by Fresh Start and now has a weaving business which generates over £300/month. We are on course to attain our 2018 goal, (the total self-sustainability of AfriKids Ghana) and crucial to this will be the completion of the Eco Village. We hope to start building this year, and as a surveyor, this is a project in which I am particularly interested. There is a shortage of decent hotel accommodation for which there is a demand from businessmen, politicians, and tourists.

I must mention the outstanding achievement of the UK fundraising team. With the Deutsche Bank connection, they have worked tirelessly to double the income this year in spite of the difficult economic

# AFRIKIDS

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2010**

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climate. Finally, I would like to wish a speedy recovery to Fr. Moses, Chairman of AfriKids Ghana Board of Trustees, who has been very ill. He has been a pillar of strength to the whole organisation from the very start.

All in all, 2010 has been a remarkably successful year, and it only remains for me to thank both teams, in Ghana and in the UK, not forgetting my fellow trustees, but especially Georgie Fienberg and Nick Kumah.

### Glossary

**AfriKids (UK)** - the UK registered charity that fundraises for and supports AfriKids Ghana and the body whose finances are reviewed here.

**AfriKids Ghana** - the Ghanaian registered charity which delivers child rights work in northern Ghana.

**AfriKids** - the partnership between AfriKids (UK) and AfriKids Ghana- this term is used when referring to shared ideals, achievements and aspirations.

### Objectives and Activities

**AfriKids (UK) and AfriKids Ghana** are separately registered organisations with different management teams and boards of trustees. AfriKids Ghana which is based in Bolgatanga, northern Ghana was registered in 2005 and has developed out of the work supported by AfriKids (UK), which was registered in 2002 and is based in London. The two organisations work in very close partnership but are legally distinct entities. AfriKids Ghana is on a path towards complete financial and managerial independence from AfriKids (UK) by 2018. This will be achieved through the development of the sustainability businesses and management structures in place in Ghana. AfriKids (UK) in turn aims to close its fundraising operations in the UK when this independence is achieved.

AfriKids (UK) and AfriKids Ghana's business plans, including their mission and objectives, are reviewed each year. For 2010 the partners shared a mission which was:

To ensure that every child under the age of 21 in northern Ghana is afforded his/her rights as outlined in the UN Convention on the Rights of the Child and to do this by building the capacity and resources of local people, organisations and initiatives in such a way that they will be able to continue their efforts independently and sustainably in the future.

AfriKids (UK)'s objectives were:

- To fundraise in an ethical and transparent way to meet the needs of AfriKids Ghana's project delivery work;
- To raise the capital needed for investment in sustainability businesses;
- To monitor and evaluate the operations of AfriKids Ghana to ensure that donations and investments sourced by AfriKids (UK) are used in an efficient, strategic and transparent manner;
- To source and create partnerships that help AfriKids Ghana meet its delivery and sustainability objectives;
- To offer and source technical expertise to AfriKids Ghana to support its programme delivery and sustainability activities;
- To promote AfriKids' best practice in fundraising and programme delivery within the wider development and charity communities in order to:
  - broaden the impact of AfriKids' methodologies;
  - demonstrate the scalability of our approach;
  - enhance the credibility, profile and fundraising potential of AfriKids.

AfriKids Ghana's were:

- To design and deliver programmes in northern Ghana which ensure that children's rights are better met and they have a greater prospect of fulfilling secured futures;

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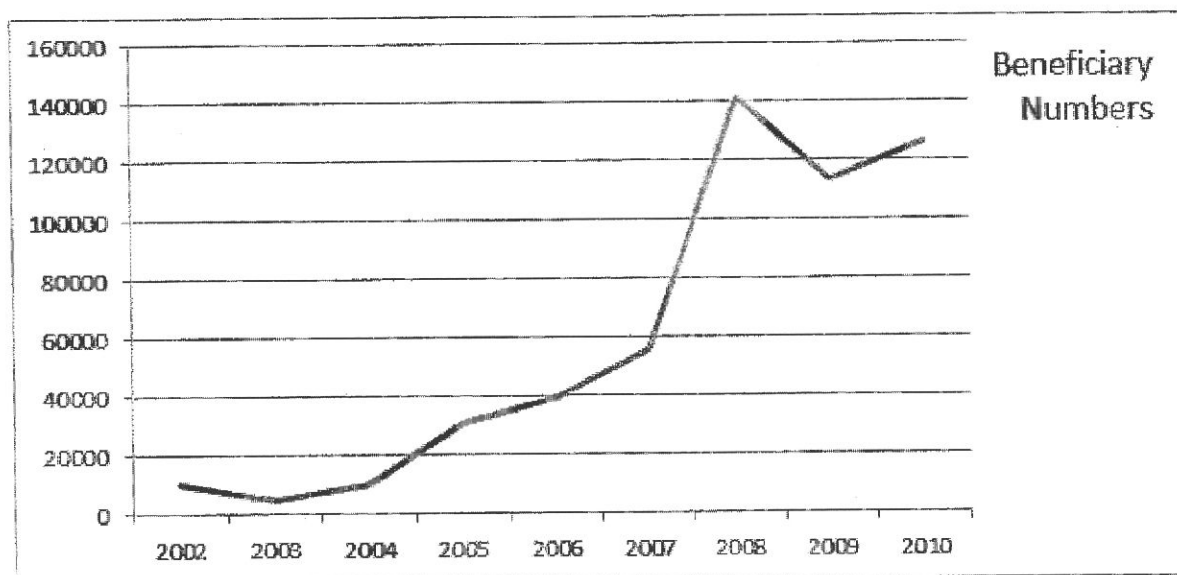
## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

- To empower and support existing local organisations, civil society organisations and agencies, to develop and sustain their work which they have initiated in response to a clear need and which ultimately supports child rights;
- To facilitate and enhance the understanding and use of best practices and collaboration among local and international organisations, civil society organisations and agencies;
- To ensure that all of the work we do is sustainable through the development of local businesses and linkages that will reduce and eventually end dependence on charitable donations;
- To ensure that donor funds are used in a transparent and accountable manner through due diligence and accurate feedback on our operations;
- To develop and maintain a mutually beneficial partnership with AfriKids (UK) in the areas of fundraising, technical support, linkages, project design, implementation and excellent feedback processes.

### Achievements and Performance in the UK

AfriKids (UK)'s public benefit is experienced mainly in northern Ghana where our support is focused. During the period January – December 2010 AfriKids supported our partners AfriKids Ghana to deliver and oversee 16 projects in northern Ghana, with 125,936 beneficiaries. This brings the total, non-duplicated (many people benefit for several years), beneficiary numbers since registration in 2002 up to 417,292. As a result of work for AfriKids Squared, the division of AfriKids which is committed to sharing best practice, there is also public benefit felt in the UK. This is both in terms of a better understanding of development work among the general public and agencies engaged in support for development projects. 146 organisations in total have received free or sponsored consultancy support from AfriKids Squared in 2010.



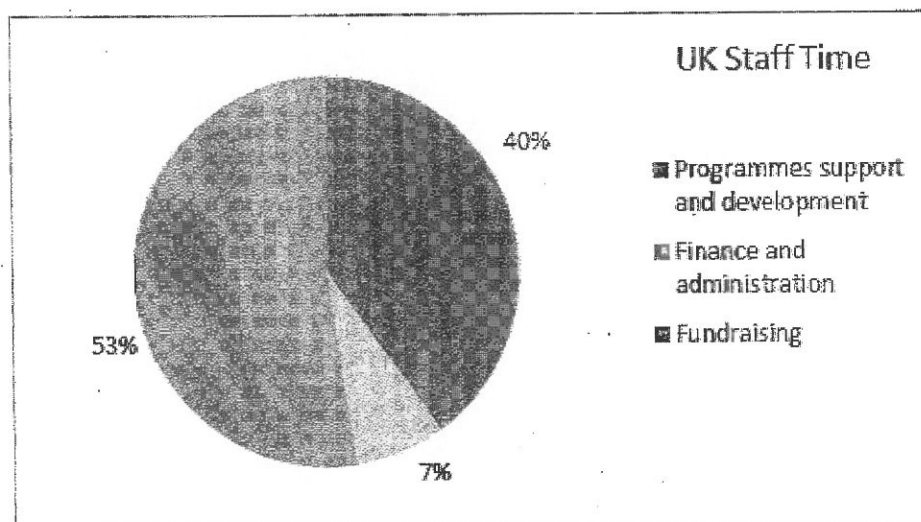
AfriKids (UK)'s staff grew in the first half of 2010 and by the middle of the year there were seven full time salaried staff and two staff working four days a week. In addition, AfriKids (UK) benefitted from an excellent full time intern from April 2010, who became a salaried member of staff in October. AfriKids (UK) and AfriKids Ghana also benefitted from the Vodafone World of Difference Programme which sponsored the full time employment of Nick Eastcott to support the development of AfriKids' Medical Centre up until the end of September 2010. He continued full time work in Ghana on a voluntary basis until the end of the year.

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## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

Of the staff, there were on average four full time programmes support and development roles, five fundraising roles and one administration and finance role. In 2010 AfriKids Ghana employed a core team of 36 and supports a network of staff across its projects totalling approximately 160.



AfriKids (UK)'s income increased by approximately 67% between 2009 and 2010. Between 2008 and 2009 the growth had been 20% and between 2007 and 2008 it was 14%. This is an extremely strong performance, especially considering the on-going economic difficulties experienced in the UK and their impact on donations to the sector. This growth can be equally credited to a successful partnership with Deutsche Bank which generated approximately £1,000,000 and the continued engagement of other new and existing donors which also generated approximately £1,000,000. Many donors made up the second million including a large donation from the proceeds of ICAP Charity Day, on-going support from the Big Lottery Fund and core funding from the Pears Foundation. AfriKids (UK) also continued to benefit from the hundreds of loyal supporters attending events, taking on sponsored challenges (including two Mt Kilimanjaro treks) and making direct donations.

The Deutsche Bank partnership generated the most funds for a single charity in a twelve month period that the charity of the year scheme there has raised to date. Many factors determined this success including a committed and pro-active CSR team at Deutsche Bank and a high level of commitment from many individuals there. From an internal perspective, AfriKids increased its staff capacity in order to maximise the partnership and this can be said to have paid off and the increased staff team will be retained to meet 2011's equally high fundraising targets. The hard work and enthusiasm provided by the staff team throughout the year was central to generating the income and to doing so in innovative ways through the launch of new events and challenges in Ghana. Several of these, particularly the 'Experience' challenge in Ghana, relied on AfriKids Ghana's increased involvement and provided opportunities to pilot initiatives that could help bring AfriKids Ghana's eco-tourism businesses customers and help generate funds beyond 2018 and the closure of the UK office.

As well as enabling AfriKids (UK) to meet its growing commitments to AfriKids Ghana in 2010, the Deutsche Bank partnership has left some key legacies that the organisation will continue to enjoy into 2011 and beyond, these being:

- A larger than normal percentage of the next year's funding secure at the end of 2010;

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## TRUSTEES' REPORT

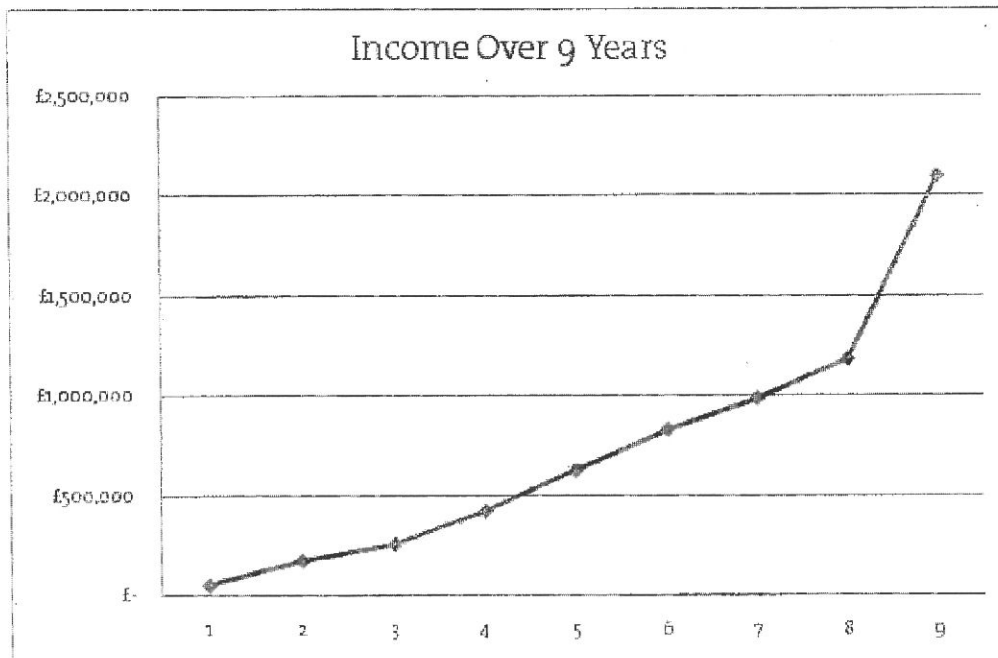
FOR THE YEAR ENDED 31 DECEMBER 2010

- Several fundraising formats that will be repeated to new audiences including the Experience Challenge in Ghana and formal evening dinners;
- Increased visibility and credibility within the corporate sector.

Other indicators in 2010 worthy of note include:

- AfriKids (UK) achieved an 84% donor retention rate from among repeat donors. This is down by 8% on 2009 but is considered good in light of the economic climate and the amount of staff time that had to be committed to the Deutsche Bank partnership;
- AfriKids (UK) sets for itself three income targets: the committed target which covers project and core running costs, the development target and the ideal or 'aspirational' target. In 2010 AfriKids (UK) exceeded the committed income target and was closer to meeting the full development target than in previous years. This means that the organisation was able to invest further in the AfriKids Medical Centre, secure funding for the AfriKids Eco Village, increase the level of up front running costs funding provided to AfriKids Ghana and increase the organisation's reserve;
- AfriKids won the Charity Times 'Social Enterprise of the Year' Award;
- AfriKids (UK) won the Institute of Fundraising Gill Astartia 'Fundraiser of the Year' Award.

AfriKids did not take on any new projects in 2010 in line with our strategy to consolidate and make sustainable existing work before taking on new commitments. Project expenditure did increase significantly because 2010 was a year of significant investment in project and organisational sustainability. As well as investments in the sustainability businesses AfriKids was able to invest further in sustainability initiatives on a number of partner projects including Operation Smiles and Operation Zuarungu.

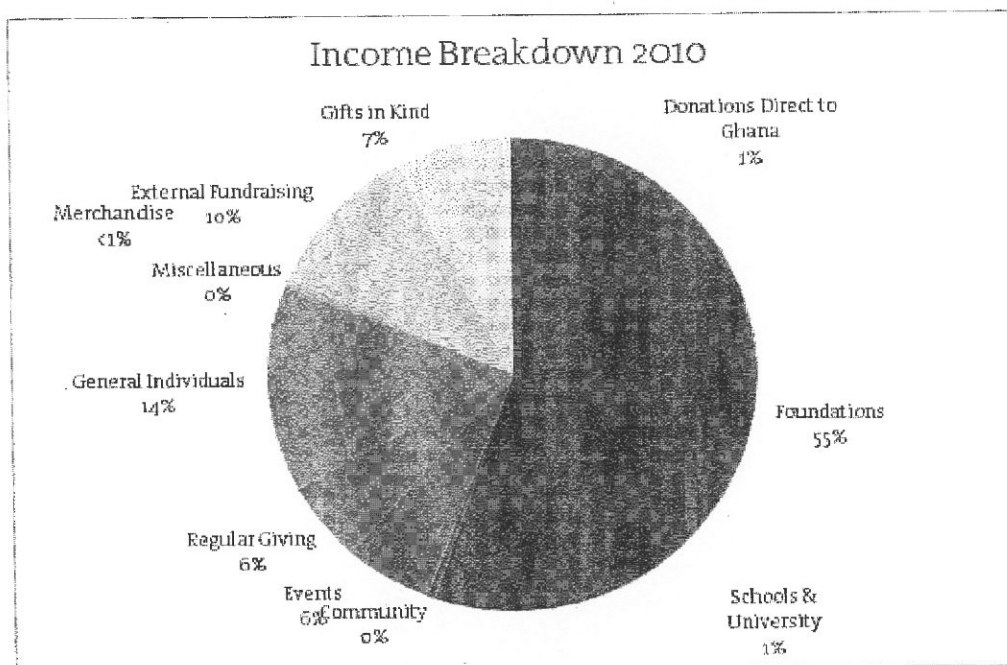




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## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010



### Achievements and Performance in Ghana

AfriKids Ghana has successfully delivered the following core programmes and funds- these projects are run and managed directly by AfriKids Ghana and overseen by AfriKids (UK).

- **Kassena Nankana Area Programme** (which has absorbed Operation Sirigu):
  - **Mission:** To improve the child rights environment of Kassena Nankana East and West to the extent that all children's basic rights are met. This programme addresses children's rights, with a particular focus on abuse related to traditional beliefs, at all levels of society from individual support and family capacity building to school's capacity building and advocacy influencing local mind-sets and policy making.
  - **Number of beneficiaries in 2010:** 25,294.
  - **Major achievements in 2010:** Expansion of the women's micro-finance initiative to 50 new women, expansion of the spirit child awareness programme to new sections of the district.
- **Talensi Nabdam Area Programme** (which has absorbed Operation Sunlight):
  - **Mission:** To improve the child rights environment of the Talensi Nabdam to the extent that all children's basic rights are met. This programme addresses children's rights, with a particular focus on the worst forms of child labour, at all levels of society from individual support and family capacity building to school's capacity building and advocacy influencing local mind-sets and policy making.
  - **Number of beneficiaries in 2010:** 14,035.
  - **Major achievements in 2010:** The original Operation Sunlight beneficiaries began to graduate from their vocational training and establish businesses of their own. A Comic Relief funded evaluation in June confirmed the project had a 97% success rate in resettlement. As well as continuing to support Operation Sunlight beneficiaries, the programme launched its 'New Beginnings' initiative for 30 new beneficiaries.

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## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

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- **Bolgatanga- Bongo Area Programme** (which has absorbed Operation Fresh Start and other projects detailed below):
  - **Mission:** To improve the child rights environment of Bolgatanga and Bongo to the extent that all children's basic rights are met. This programme addresses children's rights, with a particular focus on child displacement and streetism, at all levels of society from individual support and family capacity building to school's capacity building and advocacy influencing local mind-sets and policy making.
  - **Number of beneficiaries in 2010:** 14,790 (including 150 from the School of Night Rabbits).
  - **Major achievements in 2010:** 73 of the 160 original Operation Fresh Start beneficiaries graduated from their vocational training and established businesses of their own. A Comic Relief funded evaluation in June confirmed the project had a 97% success rate in resettlement. As well as continuing to support Operation Fresh Start beneficiaries, the programme launched its 'New Beginnings' initiative for 30 new beneficiaries.
  - **The School of Night Rabbits** is also part of the Bolgatanga- Bongo Area Programme, Mission: to give children and young mothers living on the streets of Bolgatanga the chance to access quality education for free on their own terms.
- **The AfriKids Academy**
  - **Mission:** To increase the IT skills base of school children and adults across the greater Bolgatanga district with the aim of widening choice and opportunities in employment and business development for the local economy.
  - **Number of beneficiaries in 2010:** 550
  - **Major Achievements in 2010:** Offering teacher training in ICT as well as direct lessons to children.
- **Creative Minds**
  - **Mission:** To improve the living conditions of visually impaired women living on the streets of Bolgatanga through use of their weaving skills and increase their capacity to care for their children.
  - **Number of beneficiaries in 2010:** 341
  - **Major achievements in 2010:** The weavers managed to secure commercial contracts for companies needing doormats in Bolgatanga. With the support of AfriKids Ghana, some of the weavers' children gained places at senior secondary school, a new level of educational achievement for their families.
- **Education and Medical Outreach Funds**
  - **Mission:** To open up opportunities to individual children and families who are in need of financial assistance to improve their standard of living but do not need or desire to be enrolled on one of AfriKids major programmes.
  - **Number of beneficiaries in 2010:** 1,210
  - **Major achievements in 2010:** AfriKids Ghana was able to offer increased support to displaced children who had come to the education fund for support by incorporating them in the New Beginnings Programme.
- **Young Entrepreneurs Programme**
  - **Mission:** To give young adults who have graduated from AfriKids' residential care the best possible start in life through education, training and housing.
  - **Number of beneficiaries in 2010:** 5
  - **Major Achievements in 2010:** The first young entrepreneurs began the graduation process from their vocational training programmes.

**AfriKids Ghana has successfully delivered the following partner projects-** these projects are run and managed by local boards, supervised by AfriKids Ghana and are funded and overseen by AfriKids (UK).

- **Operation Bolgatanga**
  - **Mission:** To promote human and social development of vulnerable children, especially street children and other young people at risk, by providing care and educational facilities, and through community initiatives aimed at addressing the root causes of streetism.
  - **Number of beneficiaries in 2010:** 5,197

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## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

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- **Major Achievements in 2010:** The successful transition of drop in children to residential care and of children in residential care to family homes.
- **Operation Mango Tree**
  - **Mission:** To give the most disadvantaged and vulnerable children in greater Bolgatanga's community a new start in life, be it from increasing their access to education to giving 24 hour love, care and rehabilitation from the suffering they have endured.
  - **Number of beneficiaries in 2010:** 70
  - **Major Achievements in 2010:** Continuing improvements in health, educational achievement and psychological wellbeing of all residential children, as well as the registration and profitable operation of 'Mama's Guest House'.
- **Operation Zuarungu**
  - **Mission:** To treat the symptoms and root causes of child neglect in Zuarungu and surrounding communities by improving life for children at home and providing the facilities for them to build their lives there with the aim of reducing child streetism and migration.
  - **Number of beneficiaries in 2010:** 8,789
  - **Major Achievements in 2010:** Agreement to work with Ghana Education Service towards making the centre a 'beacon school' and expanding the school from primary education to successfully take the first set of students through Junior Secondary School Year One.
- **Operation Smiles**
  - **Mission:** To build the capacity of the community of Nakuaabi and surrounding villages in the Northern Region to care for their children.
  - **Number of beneficiaries in 2010:** 708
  - **Major Achievements in 2010:** The survival and improved health of every child rescued by the project. The construction of a new wing at the project's centre.

**AfriKids Ghana has successfully delivered the following Sustainability projects – these projects are run and managed directly by AfriKids Ghana and overseen by AfriKids:**

- **AfriKids Medical Centre**
  - **Mission:** To be a leading provider of reliable high quality health services in Bolgatanga municipality and beyond. To support the charitable activities of AfriKids Ghana to serve the most vulnerable children and families of the Upper East of Ghana.
  - **Major achievements in 2010:** The AfriKids Medical Centre treated over 55,000 patients, expanded its inpatient services through the construction of three new wards, achieved primary hospital status and generated over £145,000 in pre-tax profit.
- **AfriKids Eco Village**
  - **Mission:** To raise income for the running of AfriKids Ghana whilst also stimulating local economic growth via eco-tourism and generating local training and employment opportunities.
  - **Major achievements in 2010:** creation of the Eco-tourism advisory board and completion of RIBA C+/D architectural drawings.
- **AfriKids Ethical Trade**
  - **Mission:** To open local and international markets for products made by AfriKids' beneficiaries in order to raise income for the running of AfriKids Ghana and improve the lives of producers and their children.
  - **Major achievements in 2010:** development of a fashion range, Christmas merchandise range and cosmetics manufacturing business case.

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## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

In addition to direct project delivery, collaboration and the creation of partnerships for development has become central to AfriKids Ghana's work. Examples of these active in 2010 include:

- Continuing to work with the Ghana Education Service to mainstream the Operation Zuarungu school as a 'beacon school' in the state system.
- Officially launching the partnership with Southampton University Hospitals NHS Trust (SUHT) and the Ghana Health Service (GHS) to develop training programmes for medical professionals both at the AfriKids Medical Centre and across the region. The G.A.S. partnership has seen 22 volunteer trainers from SUHT train over 350 medical professionals in the Upper East Region in 2010 and it has facilitated a donation of 60 beds from SUHT to the AfriKids Medical Centre.
- Partnership with Architects for Humanity and a wider Eco-tourism Advisory Board to design the AfriKids Eco Village.

More information on all the projects is available at [www.afrikids.org](http://www.afrikids.org).

### Future plans

AfriKids (UK) aims to work with AfriKids Ghana through to the time at which they achieve total financial and managerial independence. The aim is to achieve financial independence through the development of income generating businesses in northern Ghana and we aim to have reached this point 2018. This is a prediction rather than a firm target and AfriKids (UK) is committed to supporting AfriKids Ghana as needed for as long as needed. AfriKids Ghana has been raising an increasing proportion of its own funding through business since 2007 and is currently on track to achieve the 2018 goal. To continue this progress in 2011 AfriKids (UK) aims to maintain the increased level of income achieved in 2010 in order to be able to invest in the sustainability businesses as well as maintaining commitments to current projects. As with previous years, we are working towards a set of income scenarios in an approach that balances ambition with feasibility.

### Asset cover for funds

Notes 11 and 12 set out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

### Reserves policy

The Trustees have formally adopted a Reserves policy. This recognises that the income of the Charity does not arise evenly year on year and so to enable the Trust to plan its activities it is prudent to hold reserves. The policy also recognises that the reserves that represent the fixed assets, the restricted funds of the Charity are not freely available and thus need to be distinguished from free reserves. It is the policy of the Charity that unrestricted reserves should be held at a minimum level. Unrestricted reserves as at the balance sheet date amount to £560,171 and it is the intention of the Trustees to maintain reserves amounting to at least 3 month's running costs throughout the year.

On behalf of the board of trustees

Nicholas Fry

Trustee

Dated : 4 March 2011

Nicholas Fry

# **AFRIKIDS**

## **STATEMENT OF TRUSTEES RESPONSIBILITIES**

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The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for the period.

In preparing accounts giving a true and fair view, 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure the accounts comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **AFRIKIDS**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF AFRIKIDS**

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We have audited the accounts of Afrikids for the year ended 31 December 2010 set out on pages 13 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the statement of trustees responsibilities, the trustees are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts.

### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 2010 and of its incoming resources and application of resources, 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 Charities Act 1993.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

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## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE TRUSTEES OF AFRIKIDS

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#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees Report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Julie Piper (Senior Statutory Auditor)

for and on behalf of Arram Berlyn Gardner

Chartered Accountants

Statutory Auditor

30 City Road

London

EC1Y 2AB

Dated: 7 March 2011



# AFRIKIDS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
<b><u>Incoming resources from generated funds</u></b>					
Donations and legacies	2	1,428,752	655,597	2,084,349	1,183,669
Investment income	3	-	-	-	9
<b>Total incoming resources</b>		<b>1,428,752</b>	<b>655,597</b>	<b>2,084,349</b>	<b>1,183,678</b>
<b><u>Resources expended</u></b>					
<b>4</b>					
<b><u>Costs of generating funds</u></b>					
Costs of generating donations and legacies		267,217	-	267,217	142,440
<b>Net incoming resources available</b>		<b>1,161,535</b>	<b>655,597</b>	<b>1,817,132</b>	<b>1,041,238</b>
<b><u>Charitable activities</u></b>					
Ghana projects		656,978	530,929	1,187,907	899,962
<b>Total resources expended</b>		<b>924,195</b>	<b>530,929</b>	<b>1,455,124</b>	<b>1,042,402</b>
<b>Net income for the year/ Net movement in funds</b>		<b>504,557</b>	<b>124,668</b>	<b>629,225</b>	<b>141,276</b>
Fund balances at 1 January 2010		55,614	184,284	239,898	98,622
<b>Fund balances at 31 December 2010</b>		<b>560,171</b>	<b>308,952</b>	<b>869,123</b>	<b>239,898</b>



# AFRIKIDS


## BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Tangible assets	8		11,093		13,728
<b>Current assets</b>					
Stocks		130		-	
Debtors	9	405,545		71,966	
Cash at bank and in hand		522,007		195,159	
		927,682		267,125	
<b>Creditors: amounts falling due within one year</b>	10	(69,652)		(40,955)	
<b>Net current assets</b>			858,030		226,170
<b>Total assets less current liabilities</b>			869,123		239,898
<b>Income funds</b>					
Restricted funds	11		308,952		184,284
Unrestricted funds			560,171		55,614
			869,123		239,898

The accounts were approved by the Trustees on 4 March 2011

  
 Nicholas Fry  
 Trustee

  
 David Atugiya - Treasurer  
 Trustee

# AFRIKIDS

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2010

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#### 1 Accounting policies

##### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 1993.

##### 1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when notification of the income is received in writing. The income from the fundraising ventures is shown gross, with the associated costs included in the fundraising cost. No permanent endowments have been received during the year.

Gifts in kind are recognised in the accounts as a donation received and expenditure incurred. These gifts are recorded at their market value of the service or goods provided.

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

##### 1.3 Resources expended

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Where possible costs are allocated directly to the activities to which they relate. Other costs are then allocated between charitable activities, fundraising and support costs based on the apportionment of direct costs.

Support costs include those relating to business support (including human resource and general administration expenses), executive management, finance, and information systems. The details of support costs are shown under note 5.

Expenditure is accounted for on an accruals basis. Fundraising expenditure comprises of costs incurred in inducing people and organisations to contribute financially to the charity's work. This includes the cost of publicity and the staging of fundraising events.

Administration expenses include all expenditure not directly related to the charitable activity of fundraising ventures.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	20% reducing balance
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##### 1.5 Stock

Stock is valued at the lower of cost and net realisable value.

##### 1.6 Accumulated funds

Unrestricted funds are general funds available for use at the Trustees' discretion in furtherance of the objectives of the charity.

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# AFRIKIDS

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 1 Accounting Policies

(continued)

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 accounts.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

### 2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
Donations and gifts	1,428,752	655,597	2,084,349	1,183,669

AfriKids acknowledges restricted income from the following donors in the period: -

#### Individuals:

Paul Ruddock - AfriKids Medical Centre - £25,500

Michael Power - AfriKids Medical Centre - £8,000

Various individuals - Various projects - £10,337

#### Organisations:

ICAP - Ecotourism and Training Centre - £250,000

Big Lottery Fund - Operation Fresh Start - £99,850

Vitol Charitable Foundation - AfriKids Medical Centre - £91,867

Baring Foundation - New Beginnings Programme - £38,560

Vodafone - World of Difference Programme - £22,500

Winton Charitable Foundation - Operation Smiles and Operation Zuarungu - £20,694

Comic Relief - Core Projects evaluation - £20,000

John Ellerman Foundation - New Beginnings Programme - £19,276

British Council- THET IHLFS Scheme - G.A.S Partnership - £14,250

The Charles Hayward Foundation - Operation Mango Tree - £10,000

Aspen - Operation Smiles -£7,062

Reed Elsevier - Operation Zuarungu -£6,334

Eddies - Sports projects - £4,000

The Besom Funding - AfriKids Medical Centre -£2,074

Dorfred Charitable Trust - Operation Smiles - £1,250

Star100 - AfriKids Medical Centre - £1,040

Atcham PCC - AfriKids Medical Centre - £1,000

Thornhill Baptist Church - Maternity/Midwifery Care - £1,000

Telereal Services - AfriKids Medical Centre - £500

# AFRIKIDS

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

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### 3 Investment income

	Total 2010 £	Total 2009 £
Interest receivable	-	9

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# AFRIKIDS

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 4 Total resources expended

	Staff Depreciation costs £	£	Other costs £	2010 £	2009 £
<b>Costs of generating funds</b>					
Costs of generating donations and legacies	156,380	-	110,837	267,217	142,440
<b>Charitable activities</b>					
<u>Ghana projects</u>					
Activities undertaken directly	141,687	-	1,017,904	1,159,591	873,703
Support costs	23,413	3,448	1,455	28,316	26,259
<b>Total</b>	<b>165,100</b>	<b>3,448</b>	<b>1,019,359</b>	<b>1,187,907</b>	<b>899,962</b>
	<b>321,480</b>	<b>3,448</b>	<b>1,130,196</b>	<b>1,455,124</b>	<b>1,042,402</b>

AfriKids aims to secure direct sponsorship or gifts in kind for the majority of our administrative and fundraising costs. Gifts in kind are particularly valuable to the organisation because they enable us to operate in ways we would be unlikely to if it meant spending charitable funds. For example, thanks to gift in kind this year we have benefitted from professional branding support and advertising, worked in large comfortable offices able to accommodate our volunteers and we have been able to send all our staff to Ghana to visit the projects.

This not only means we add value to our operations as a charity but that we can ensure an extremely high percentage of every general £1 given goes to the projects. Our overall expenditure breakdown implies £0.80p in every pound goes to the project but thanks to gifts in kind and direct sponsorship the actual amount in each general pound given is much higher, and wherever a donor requests that all of their funds go to the projects we are able to accommodate this.

We would particularly like to recognise the following gift in kind donors in 2010:

Paul Ruddock: Free BA flights provided through air miles - £6,716  
 John Willis: Free BA flights provided through air miles - £12,000  
 Ape Inc: Free Branding and Design work - £14,300  
 Connected Worlds: Free IT support - £1,818  
 Apple: 11 free iPod Touch: £2,123  
 Reed Smith: Free legal support - £10,501  
 Pears Foundation: Free office rent and rates - £55,000  
 Arram Berlyn Gardner: Free payroll and audit services - £7,500  
 Media Foundry: Free PR services - £6,000  
 Ugo Monye & Nick Easter: Time donated as auction prize - £1,250  
 Payne & Gunter: Free catering services - £7,514  
 One Mayfair: Free venue hire - £6,000  
 Jemma Kidd Cosmetics: Free cosmetics - £4,900  
 Chanel: Free handbag - £1,000  
 Stephen Brisbane: Free framing services - £1,000  
 Pauline Wilson: Free evaluation services - £2,275  
 Winkball: Free footballs and cameras - £4,613  
 Gareth Brisbane: Free accountancy services - £3,325

# AFRIKIDS

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2010

Various other donors who provided us with free desktop monitors, PR advice, and various items used in our fundraising events - £4,245

During the year the charity has been awarded a partnership with Deutsche Bank, that provides the services of the Deutsche Bank personnel and facilities as a basis to raise funds for the charity. The charity are unable to place a value on the services provided.

#### 5 Support costs

	2010 £	2009 £
Ghana projects	-	2,044
Property costs	1,455	2,437
Staff costs	23,413	18,346
Depreciation	3,448	3,432
	<u>28,316</u>	<u>26,259</u>

#### 6 Trustees

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

Within costs of generating donations and legacies are governance costs of £1,108.  
During the year there have been no expenses paid on behalf of trustees.

#### 7 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2010	2009
Management and administration	6	4
Ghana operations staff	4	2
	<u>10</u>	<u>6</u>

##### Employment costs

	2010 £	2009 £
Wages and salaries	291,632	220,356
Employers' NI	29,848	22,832
	<u>321,480</u>	<u>243,188</u>

There were no employees whose annual emoluments were £60,000 or more.

# AFRIKIDS

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 8 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 January 2010	32,007
Additions	5,801
Disposals	(19,520)
<b>At 31 December 2010</b>	<b>18,288</b>
<b>Depreciation</b>	
At 1 January 2010	18,279
On disposals	(14,532)
Charge for the year	3,448
<b>At 31 December 2010</b>	<b>7,195</b>
<b>Net book value</b>	
<b>At 31 December 2010</b>	<b>11,093</b>
At 31 December 2009	13,728

### 9 Debtors

	2010 £	2009 £
Trade debtors	356,808	41,098
Other debtors	48,737	30,868
	<b>405,545</b>	<b>71,966</b>

## AFRIKIDS

### NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

10 Creditors: amounts falling due within one year	2010 £	2009 £
Trade creditors	3,092	-
Taxes and social security costs	14,890	13,718
Other creditors	4,037	-
Accruals	631	27,237
Deferred income	47,002	-
	<u>69,652</u>	<u>40,955</u>

The deferred income in the year relates to the 2011 Burns Night event income, which is held in 2011 but the income is received in 2010.



# AFRIKIDS

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2010

#### 11 Restricted funds

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

	Balance at 1 January 2010	Movement in funds		Balance at 31 December 2010
	£	Incoming resources £	Resources expended £	£
Ghana Head Office	-	283	283	-
Operation Bolgatanga	-	26,302	17,639	8,663
Operation Mango Tree	-	10,629	10,629	-
Operation Zuarungu	10,000	6,334	16,334	-
Operation Fresh Start	-	99,850	99,850	-
Medical Centre	142,246	110,682	240,928	12,000
Young Entrepreneurs	-	1,000	1,000	-
Operation Sunlight	-	1,000	1,000	-
Operation Sirigu	-	6,173	6,173	-
School of Night Rabbits	508	-	508	-
Operation Smiles	-	16,671	16,671	-
Operation Smiles :sustainability	-	7,062	7,062	-
Bolga Bongo District programme	-	32,199	17,372	14,827
G.A.S Partnership	6,781	36,750	39,227	4,304
Childcare	24,749	-	24,749	-
Talensi Nabdam District Programme	-	25,637	7,302	18,335
Afrikids Medical Centre:maternal care	-	1,000	-	1,000
Comic relief evaluation	-	20,000	20,000	-
UER @ 50 celebration	-	4,000	4,000	-
Football Tournament medals	-	25	25	-
Afrikids Eco Lodge	-	250,000	177	249,823
	184,284	655,597	530,929	308,952

#### 12 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2010 are represented by:			
Tangible fixed assets	11,093	-	11,093
Current assets	618,730	308,952	927,682
Creditors: amounts falling due within one year	(69,652)	-	(69,652)
	560,171	308,952	869,123