



ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

Directors and Trustees

John Hickman – Chairman
Jason Haines - Treasurer
Vedrana Riley - Secretary
Georgina Fienberg – Founder and Trustee
Duncan Spencer - Trustee
Jacqueline Møller Larsen - Trustee
Sophie Hug Williams - Trustee
Loughlinn Kennedy - Trustee
Martin Ott – Trustee

Chief Executive Officer

Amy Parker

Company Number

07534096

UK Registered Charity Number

1141028

Registered Office

21 Southampton Row
London
WC1B 5HA

Auditors

Wilkins Kennedy LLP
5 Yeomans Court
Ware Road
Hertfordshire
SG13 7HJ

Bankers

Lloyds TSB
106 Kilburn High Road
Kilburn
London
NW6 4HY

Ghana International Bank
67 Cheapside
London
EC2V 6AZ

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 31 December 2015.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

Chairman's Comments

2015 was a pivotal year for AfriKids – as a number of significant changes to our operations in the UK and Ghana ensured. Happily, and as if to prove the point, the year concluded with AfriKids being awarded **International Charity of the Year** at the Charity Times Awards. A remarkable achievement indeed!

Marking key steps forward in our long term sustainability goals, 2015 saw both 'programme leadership' and 'social enterprise development' handed over to our team in Ghana. The UK team was restructured to coincide with this transfer of ownership and is now free to focus on its primary goal: raising funds for the work being done in Ghana. I am delighted to report that these changes have proved most effective.

Thanks to successful bids with the UK Government Department for International Development (DfID) and Comic Relief, as well as a number of new partners (including People's Postcode Lottery) coming on board, fundraising in the UK has increased. Moreover, savings made on administration costs in the UK have allowed us to distribute even more of our funding directly to operations in Ghana.

Perhaps more importantly, fundraising in Ghana has increased significantly. The Ghana team secured the largest single grant AfriKids has ever won. As a consequence, we will be able to scale up our successful Complementary Basic Education (CBE) programme. This aims to get children aged 8 – 14 and currently *not* in school into full time education. We also appointed our first full time Ghanaian fundraiser and were selected by UNICEF to pilot two new programmes.

Most excitingly, 2015 saw us launching two new programmes. Opening Doors to School aims to improve teaching standards, student retention rates and academic attainment in 60 Ghanaian schools. While Futures' Freedom aims to educate communities about the sexual and reproductive health and rights of their young girls. The ultimate goal, of course, is to reduce incidents of teen pregnancy and child marriage, improve the appalling rates of maternal mortality and end other rights abuses of young girls, such as Female Genital Cutting (FGC).

I am delighted to be able to tell you that through these programmes and the scale up of our CBE programme, we have started work in a further six districts in the Upper East Region of Ghana.

We have continued to face challenges with the AfriKids Medical Centre, most significantly with the tragic and sudden death of the wonderful Mr Didas Azanoore, our Hospital Manager. Internal changes within Ghana Health Service also meant the centre was reclassified as a clinic, delivering a further blow to income generating potential. Fortunately though, our primary hospital status was reinstated early in 2016.

All these changes – each a giant step forward – have meant sadly saying goodbye to some of the UK team. I would personally like to thank Felix, Liam, Emma, David, Linda, Helen and Frances for their enormous hard work and commitment to AfriKids.

Having completed her contract at AfriKids, we were delighted that Frances Cleland Bones accepted our invitation to join our board of trustees. She will continue to be a key advisor for our social businesses in Ghana. Another excellent addition to our board is Martin Ott, Managing Director of Facebook for Northern, Central and Eastern Europe. Martin brings with him a wealth of knowledge and experience in social media and entrepreneurial thinking.

Finally, of course, the biggest thanks goes to you – the dedicated supporters of AfriKids’ work, without whom none of these wonderful achievements would be possible.

I sincerely hope all of our supporters continue to be as inspired and delighted as I am by the way in which our colleagues in Ghana continue to bring big smiles to little faces.

John Hickman
Chairman, AfriKids Ltd.

Definitions

AfriKids Limited/AfriKids Ltd./AfriKids UK	the UK Registered Charity that fundraises for and supports AfriKids Ghana, and the organisation which this document reviews
AfriKids Ghana	an independent Ghanaian Non-Governmental Organisation which delivers child rights and community development projects in Ghana
AfriKids	the partnership between AfriKids Limited and AfriKids Ghana – this term is used when referring to shared ideals, achievements and aspirations

Structure, Governance and Management

Legal definition and governing document

AfriKids Ltd. is a company limited by guarantee and a charity registered in England and Wales with the Charity Commission. It is governed by its Articles of Association.

AfriKids Ltd. was incorporated on the 17th February 2011 and gained charitable status on the 24th March 2011. AfriKids was previously registered as a charitable trust (Registered Charity Number 1093624, registered 30th August 2002), though the trust was dissolved following incorporation of the Charity as a limited company.

“AfriKids” generally refers to the partnership between AfriKids Limited and AfriKids Ghana, two legally independent organisations, run by different management teams and governed by different boards of Trustees, but who work in very close partnership. AfriKids (UK, now AfriKids Ltd.) was registered as a UK charity in 2002 to support a number of small, locally-run projects in northern Ghana. In 2005, this relationship was formalised with the establishment of AfriKids Ghana, an independent NGO registered in Ghana which manages all of the projects that AfriKids supports.

Trustees

The directors of the charitable company are its Trustees for the purpose of Charity law and the members of the company limited by guarantee. Throughout this report they are collectively referred to as the Trustees.

The following individuals served as Trustees during the period:

John Hickman – Chairman
 Jason Haines - Treasurer
 Vedrana Riley - Secretary
 Georgina Fienberg – Founder and Trustee
 Duncan Spencer - Trustee
 Jacqueline Møller Larsen - Trustee
 Sophie Hug Williams - Trustee
 Loughlin Kennedy - Trustee
 Martin Ott – Trustee (appointed 13/05/2015)

All Trustees served for the full year unless otherwise indicated above.

The Trustees meet at least once per quarter to review the activities and direction of the Charity. The day-to-day running of the Charity is delegated to the Chief Executive Officer, who manages a staff team. Individual Trustees maintain an active interest and participation in many of the projects, which is an important part of ensuring the direction and spirit of the Charity stays true to its original vision, aims and objectives.

Recruitment and appointment of new Trustees

Trustees are appointed through public recruitment, and there is no minimum or maximum length of term.

Related parties

Details of transactions with related parties are given in note 14 to these accounts.

Pay policy for senior staff

All staff are paid in accordance with a salary scale which is reviewed each year. Benchmarking is also performed every five years.

Risk Management

The Trustees regularly review the risks the Charity faces, and are satisfied that adequate systems are in place to mitigate the Charity's exposure to major risks where possible.

AfriKids' Organisational Risk Register is updated annually and is available for public distribution on request.

Public Benefit

AfriKids Ltd. gives regard to the Charity Commission's guidance on public benefit. AfriKids Limited's public benefit is experienced mainly in northern Ghana, where more than 100,000 people directly benefit from AfriKids' programmes every year, and many more benefit from the indirect impact of these interventions.

AfriKids highly values consultation and shared learning with its stakeholders and professional peers. Both in the UK and Ghana, it is proactive in sharing lessons and experience with a range of individuals and organisations, from charity start-ups to international policy makers. This work, delivered under the consultancy initiative AfriKids Squared, has extended AfriKids' public benefit to people in the UK and more than 45 countries all over the world. AfriKids also promotes positive public education on international development through its public communications, taking a proactive stance on "saying no to pity".

Objectives and principal activities

In 2015, AfriKids Ltd. and AfriKids Ghana's shared mission was maintained as:

"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."

The UN Convention on the Rights of the Child defines a child as a person of 18 years of age or less. AfriKids consider children up to 21 years of age in their project work, recognising that in the location of their programme activities (northern Ghana), many children have 'lost' crucial years in their development as a result of poverty, e.g. living on the streets, being involved in child labour or being out of school.

The Objectives of AfriKids Ltd.:

1. To fundraise in an ethical and transparent manner in order to meet the needs of AfriKids Ghana's project delivery work
2. To raise the capital required for investment in the sustainability businesses that are intended to enable AfriKids Ghana to operate on a financially independent basis
3. To source and create partnerships that help AfriKids Ghana meet its delivery and sustainability objectives
4. To offer and source technical expertise to AfriKids Ghana to give it the competence and confidence to execute all programmes and enterprises independently
5. To monitor and evaluate the operations of AfriKids Ghana to ensure that donations and investments provided through AfriKids Limited are used in a demonstrably efficient, strategic and transparent manner that is recognised by all donors and partners
6. To promote, through AfriKids Squared, AfriKids' best practice in fundraising and programme delivery as scalable methodologies within the wider development and Charity communities

The objectives of AfriKids Ghana:

1. To design and deliver programmes in northern Ghana which ensure that children's rights are better met and that children have a greater prospect of fulfilling secure futures
2. To empower and support existing local organisations, civil society organisations and agencies to allow them to develop and sustain the work which they have initiated in response to a clear need, and which ultimately supports child rights
3. To facilitate and enhance the understanding and use of best practices and collaboration among local and international organisations, civil society organisations and agencies
4. To ensure that all of the work undertaken is sustainable through the development of local businesses and linkages that will reduce, and eventually end, dependence on charitable donations
5. To ensure that donor funds are used in a transparent and accountable manner through due diligence and accurate feedback on operations
6. To develop and maintain a mutually beneficial partnership with AfriKids Limited in the areas of fundraising, technical support, linkages, project design, implementation and excellent feedback processes

Sustainability

AfriKids Ltd. and AfriKids Ghana have always worked in close partnership towards shared goals, including that of AfriKids Ghana's sustainability – the point where they operate self-sufficiently, and do not depend on their partners, AfriKids UK, to exist. While more an ethos than a rigid strategy, this sustainability goal refers to three key areas:

- the quality of AfriKids' programmes and their impact;
- best practice operations and governance;
- financial security and strategic autonomy

Together, the AfriKids partnership is working towards all three of these pillars being actively, adequately and sustainably led and managed by AfriKids Ghana.

In the period, further strides were made towards AfriKids Ghana's self-sufficiency, including:

- concluding AfriKids UK's decade-long role in programme support – the design and delivery of AfriKids Ghana's programmes is now 100% locally managed
- appointing AfriKids Ghana's first dedicated fundraising manager to design and deliver its in-country fundraising strategy
- building on the success of in-country fundraising, with AfriKids Ghana bringing in more than £600,000 in the period to support with existing projects and some new initiatives
- commencing a major Theory of Change review, led by an expert consultant and involving both local and international stakeholders to inform AfriKids Ghana's programme strategy, ensuring their work continues to be needed, appropriate and effective
- continuing systems and process reviews to improve finance and operational functions, working towards international standards of best practice
- more independent evaluations of AfriKids' programmes to evaluate their impact and inform future programme design for continuous improvement
- completion of an expert review of AfriKids Ghana's businesses and social enterprises to inform future strategy and investments in these areas and other income-generating initiatives

Activities and Achievements in 2015

During 2015, AfriKids delivered a range of life-changing programmes to vulnerable children and families in northern Ghana. The charity's core purpose is to ensure an education for every child, which translates into work across **six service areas**, all presenting potential barriers to children being in school. Just a few highlights are given below. For more information please visit our website or contact us.

Education

The **AfriKids ICT Academy** provided training to more than 1,500 students and teachers, many of whom would not otherwise have access to a computer to support their learning of IT, as required by the Ghanaian curriculum.

Another round of the **Complementary Basic Education** programme, in partnership with the Government of Ghana, UK Department for International Development and USAID saw AfriKids support 5,000 more out of school children into education and train more than 200 community members in facilitating education. Under the **Kassena Nankana Area Programme**, this work was further bolstered by an ongoing partnership with **Let's Read!**, training and resourcing teachers in phonics teaching to improve the way children are taught to read and write.

More than 200 young people were supported through the **Education Fund**, providing scholarships and student loans to aspiring but disadvantaged students in secondary and tertiary education.

The **Education Bridge** concluded in its third year, having helped bridge the gap between educational policy and practice, by empowering civil society – community members, PTAs, School Management Committees, and young people – and working with Ghana Education Service to increase enrolment and attendance in more than 200 schools and improve the quality of education they provide. An independent evaluation of the project concluded it “had contributed enormously to efforts being made towards [Millennium Development Goal Two] of universal provision and attainment of primary education within its operational areas. The

strategy of empowering civil society to promote universal primary education was extremely successful.” A new project, [Opening Doors to School](#), was launched in 2015 to extend this work to 60 more schools.

More than 100 children living and working on the streets attended night classes at [The School of Night Rabbits](#) before transitioning into formal schooling. The number of classes offered per week was increased and a new “drop in centre” opened at the Bolgatanga lorry park, where most of the children live and work, for a safe place to talk, rest and play.

[Transforming Futures](#) supported 130 young people through vocational training, nursing or teaching qualifications or with a student loan to pursue higher education. This project provides a vital stepping stone to bright and ambitious young people who would otherwise not be able to pursue these vocations and instead are now able to secure their own futures and give back to their communities.

Plans were finalised for [Foundations for Life](#), a new programme working to improve early years education, to be launched in 2016. This progressive project will work with expert partners and Ghana Education Service to deliver teacher training specific to kindergarten and primary school levels and to promote the importance of quality education in these formative years, which has been proven to have a significant impact on educational attainment at later stages.

For the young people leaving AfriKids-supported residential care, [The Young Entrepreneurs](#) programme funded access to secondary education or vocational training and helped with new accommodation and living expenses while they work towards secure and independent adult lives.

Under the [New Beginnings 2](#) programme, another 300 children living on the streets or at-risk were supported back into education or vocational training and to resettle with their families.

Healthcare

Despite nationwide funding challenges with the Ghanaian Health Service and National Health Insurance Scheme, the [AfriKids Medical Centre](#) (a primary hospital) continued operation, seeing nearly 49,000 cases in 2015. Adapting to a changing environment, it invested in new services including an eye clinic, dental care and diabetes clinic, to attract more private (paying) patients and help maintain a normal service to non-paying clients, including the most vulnerable, while public funding is limited.

Community outreach services extended healthcare advice and services to children and families across the region, including health talks and checks for street children at the [School of Night Rabbits](#), family planning advice to young people through new project [Futures’ Freedom](#) and to community groups through the [Family Livelihood Support Programme \(FLiSP\)](#). Again, thousands of families were protected with National Health Insurance while we work with them to increase household income to cover this themselves.

Strides were made with the [Advancements in Healthcare](#) programme, capacity building healthcare management staff and systems and facilitating a new cervical screening programme at the AfriKids Medical Centre.

[The GAS Partnership](#) – an award-winning health link between AfriKids, Ghana Health Service and University Hospital Southampton NHS Foundation Trust (UK) - continued in its fifth year, training and resourcing nine hospitals across the Upper East Region and advising senior healthcare management for the Region. Key achievements included pioneering Primary Trauma Care training and the launch of Customer Care as a new specialty, promoting best practice patient care.

Child Protection

[Operation Bolgatanga](#) (the Next Generation Home), [Operation Mango Tree](#) (Mama Laadi's Foster Home) and [Operation Smiles](#) (run by Sister Jane) continued operation with AfriKids support, providing a safe and nurturing environment for children otherwise facing abuse, neglect or exploitation. The projects continued to work actively with families and communities to resettle children wherever possible and to address the root causes of child protection issues.

Following AfriKids' unprecedented success in tackling the [Spirit Child Phenomenon](#) in the Kassena West District of Ghana's Upper East Region, 2015 saw the launch of [SCP Bongo](#) - a new project extending this work to the Bongo District, which also faces the challenge of this traditional belief in "spirit children" and associated harmful practices. The project is benefitting from ten years of experience and aims to achieve permanent positive change in attitudes and practices in the area within three years.

The [Kassena Nankana Area Programme](#) continued to provide life-changing support to children and families living with disabilities, primarily cerebral palsy, through counselling and support groups, furniture and devices, massage and exercises and health and wellbeing advice. The children supported demonstrate increased levels of confidence and mobility, including being able to sit up without support, which has created much more time and freedom for parents to pursue other activities like household income generation. As a result, beneficiaries cite significant improvements in the quality of life for the whole family.

[Futures' Freedom](#), a new project working in [Sexual and Reproductive Health and Rights \(SRHR\)](#) was launched, harnessing the model used effectively to eradicate the Spirit Child Phenomenon from seven districts to now shift harmful attitudes and practices relating to [Child, Early and Forced Marriage \(CEFM\)](#) and [Female Genital Cutting \(FGC\)](#), and to promote child rights with a focus on the SRHR of women and girls.

Livelihoods

The [Family Livelihood Support Programme \(FLiSP\)](#) exceeded 2000 loans to-date in 2015, continuing to support mothers in setting up and growing businesses, removing the pressure for children to work and increasing parents' capacity to care for them and support their education. As well as providing small business loans, the project provides health and family planning advice, educates members about child rights and how to protect them and is empowering women to be more vocal and active members of their communities.

["Concoction Men"](#) who previously earned a living from "treating" Spirit Children were supported with alternative livelihood support, including goats for rearing and bicycles for easier travel to trade and conduct other business, while also facilitating their activities as "Right to Life Promoters" – maintaining their roles as traditional authorities and opinion leaders, but now used to promote child rights in their communities.

A [maternity protection](#) project was piloted, introducing a "social protection floor" for expectant and nursing mothers in informal employment, for whom having a baby often means struggling through a break in income or returning to work before they're ready. Interventions included creches at public work sites; advocacy and improving access to ante and post-natal healthcare and education.

Rights and Advocacy

AfriKids' highly-effective [Child Rights Clubs](#) were continued where previously established and hundreds more were set up in new schools under the new [Opening Doors to School](#) and [SRHR](#) programmes. The model has proven so popular and effective in educating young people about their rights and building their

confidence and activism, that Ghana Education Service has adopted it for roll out beyond AfriKids'-supported schools.

New project, [Futures' Freedom](#) began work educating young people and communities on child rights, with a focus on [Sexual and Reproductive Health and Rights \(SRHR\)](#) in order to end [Child, Early and Forced Marriage \(CEFM\)](#) and other harmful beliefs and practices. Work in schools through [Child Rights Clubs](#) is improving sex education and informing young people about their rights and the importance of "voice, choice and control", with a particular focus on women and girls. The project is also working with Ghana Health Service to improve information on and access to quality family planning services.

Social Enterprise

The [AfriKids Medical Centre](#) faced a challenging period along with all healthcare providers as a result of resource limitations at the national level. However, the centre responded quickly and innovatively in adapting to this and increased its range of services during the year. A cost review improved efficiencies in the centre's budget and the facility is now technically self-sustaining, pending full payment by the National Health Insurance for services rendered. While 2015 was a turbulent time, payments were stabilising again by the end of the year and the outlook is improved for 2016.

Blue Sky Travel continued to deliver "life-changing travel" to guests from all over the world, including its first "[Zaare Challenge](#)", involving six young families on a cultural learning and exchange trip. Fundraising by participants of this trip alone raised in excess of £25,000 for the charity.

Plans for a new social enterprise began, building on the experience of the [Energy for Life Initiative](#) (which sold 14,000 clean cook stoves across northern Ghana) to develop a case for [solar lighting](#) distribution.

Financial Review

As discussed above, 2015 was a challenging but ultimately successful year for AfriKids Ltd, with a number of significant changes in the make-up of the UK staff team as the Charity handed over to Ghana the programmes excellence function during the year. This led to a reduction in the size of the UK staff team and a greater focus in that team on fundraising.

This is reflected in a reduction in overall spend which fell £75k to £1.740m (2014, £1.815m) and an increase in the % of the UK Charity's spend on generating funds. Moreover, as the change led to a number of redundancy costs in 2015, the full year effect of the changes will not be apparent until 2016, when it expects to see expenditure in the UK fall further.

The Trustees are also pleased to report that after two years of falling income, 2015 saw income increase by £139k or 9% to £1.728m (2014, £1.588m) returning to the long term upward trend. We believe the change in emphasis of the UK team was instrumental in this respect, and for that reason hope to see further growth in the year ahead.

The net effect of these changes was that the Charity made a small £12k deficit - a significant improvement on the £227k deficit in 2014. Moreover, with the full year effect of the staff changes to come, it expects to return to surplus in 2016.

Reserves

The trustees' policy is that the balance of reserves held by AfriKids Ltd. should be equal to between one and three months of AfriKids UK and Ghana's running costs. The Trustees believe this level of reserves will provide short term financial stability and allow time to secure alternative sources of funding, in the event of a significant drop in income.

During the period, reserves, which are shown as unrestricted funds in the balance sheet, fell slightly from £119k to £113K, and at the end of the period, they were equivalent to just over two month's running costs for AfriKids Ltd. The Trustees consider this to be in line with the organisation's policy.

Responsibilities of the Trustees in relation to the financial statements

The Trustees (who are also directors of AfriKids for the purposes 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the Trustees, having made enquiries of fellow directors and the company's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Small company provisions

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

This report was approved by the Board of Trustees of AfriKids Ltd., as signed and dated below.

Signed:



Mr. John Hickman
Chairman, for and on behalf of the Board of Trustees of AfriKids Ltd.

Dated:

20th July 2016.

Independent Auditor's Report

To The Members and Trustees of AfriKids Limited

We have audited the financial statements of AfriKids Limited for the year ended 31 December 2015 as set out on pages 14 to 21. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 and to the charitable company's Trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its Trustees 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 anyone other than the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities (as set out on page 11), 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable laws and International Standard 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 financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that it apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Auditors' opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015, 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 (applicable to smaller entities); and

- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Auditors' opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 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.

Signed:



Alison Nayler (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP

Dated:

28.7.16.

Statement of Financial Activities (incorporating the Income and Expenditure Account) for the year to 31 December 2015

	Note	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income:					
Grants		312,545	794,492	1,107,037	778,399
Donations		345,656	193,470	539,126	272,833
Income from charitable activities:					
Fundraising		63,996	17,625	81,621	536,974
Investment income		46	-	46	127
Other income		-	-	-	-
Total incoming resources		722,243	1,005,587	1,727,830	1,588,333
RESOURCES EXPENDED					
Charitable activities	3	301,704	1,050,158	1,351,862	1,553,843
Fundraising	4	387,669	-	387,669	261,327
Total resources expended		689,373	1,050,158	1,739,531	1,815,170
Net incoming resources before transfers		32,870	(44,571)	(11,701)	(226,837)
Gross transfers between funds		(38,971)	38,971		
Net income / (expenditure) in year and net movement in funds for the year	8	(6,101)	(5,600)	(11,701)	(226,837)
Total funds brought forward		119,308	163,593	282,901	509,738
Total funds carried forward	12	113,207	157,993	271,200	282,901

Balance Sheet as at 31 December 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible Assets	9	6,988	8,735
CURRENT ASSETS			
Debtors	10	10,520	23,008
Cash at bank and in hand		376,262	291,152
		386,782	314,160
CREDITORS: Amounts falling due within one year	11	(122,570)	(39,994)
NET CURRENT ASSETS		264,212	274,166
TOTAL ASSETS LESS CURRENT LIABILITIES		271,200	282,901
CAPITAL AND RESERVES			
Restricted Funds		157,993	163,593
Unrestricted Funds		113,207	119,308
TOTAL CHARITY FUNDS	12, 13	271,200	282,901

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective) January 2015).

Approved by the Board and signed and dated on their behalf below:



John Hickman
Chair, Board of Trustees, AfriKids Ltd.

Date:



Notes to the accounts for the year ended 31 December 2015

1. Principal accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(a) Basis of accounting

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 for Smaller Entities published on 16/07/14, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) Fund accounting

- (i) Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- (ii) Restricted funds are subject to specific conditions imposed by the donor as to how they may be used.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

- (i) Voluntary income is received by way of grants, donations and gifts in kind and is included in full in the Statement of Financial Activities when receivable.
- (ii) Grants receivable are recognised when the charity becomes unconditionally entitled to the grant.
- (iii) Donated services and facilities are included at the value to the charity where this can be quantified.
- (iv) The value of services provided by volunteers has not been included in these accounts.
- (v) Incoming resources from charitable activities are accounted for when earned. If received in advance income is deferred until the relevant activity has taken place.
- (vi) Investment income is included when receivable.

d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred, and includes any VAT which cannot be recovered by the charity.

- (i) Expenditure on Charitable activities comprises those costs incurred on projects undertaken in pursuance of the charitable aims of the company.
- (ii) Fund raising incorporates the salaries, direct expenditure and overhead costs of the staff who undertake fundraising work.
- (iii) Governance costs are those costs incurred in the management of the charity's assets, organisation and compliance functions.

- (iv) Support costs are those costs incurred by the company in support of its main charitable activities and projects. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.
- (v) The value of services provided by volunteers has not been included in these accounts.

(e) Tangible fixed assets and depreciation

Tangible fixed assets costing over £500 (including any incidental expenses of acquisition) are capitalized. Depreciation is provided at rates calculated to write off the cost on a reducing balance basis over their expected useful economic life. The rate of depreciation is 20% per annum for all assets.

(f) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

(g) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Voluntary Income

	2015	2014
	£	£
Donated fundraising support	24,583	8,142
Donated services	16,980	90,529
	41,563	98,671

During the year the charity received in-kind support in 2 main areas recognised in these accounts.

1. Fundraising support - A number of supporters provided a range of prizes for the silent auction at the AfriKids Monopoly Ball, the total estimated value of which is £24,583.
2. Services - Pro bono legal services valued at £16,980.

Government funding

Voluntary income also includes two grants from the UK Government Department for International Development (DfID):

1. £25,764 for the Education Bridge project
2. £156,651 for the Futures' Freedom project and associated UK support costs

3. Charitable activities

	2015	2014
	£	£
Staff costs	147,840	202,256
Grants to AfriKids Ghana	1,069,511	1,123,606
Direct programme spend in the UK	26,659	62,082
Monitoring & evaluation expenses	15,606	16,900
Support costs	79,580	139,743
Governance costs (see note 4)	12,666	9,256
	1,351,862	1,553,843
Spend on charitable activities by service area;		
Education	603,817	689,777
Child Protection	154,361	162,990
Healthcare	227,020	91,480
Livelihoods	135,206	65,727
Rights & Advocacy	152,907	126,741
Social Enterprise	65,885	407,872
Governance costs	12,666	9,256
	1,351,862	1,553,843

4. Fundraising

	2015	2014
	£	£
Staff costs	199,512	211,435
Fundraising events	68,284	14,484
Other direct costs	12,476	19,311
Support costs	107,397	16,097
	387,669	261,327

5. Governance Costs

	2015	2014
	£	£
Staff costs	2,871	1,639
Audit	4,800	4,710
Other direct costs	3,450	2,290
Support costs	1,545	617
	12,666	9,256

6. Staff Costs

Salary Costs

	2015 £	2014 £
Gross wages and salaries	392,026	459,263
Employer's national insurance	38,576	48,836
	<u>430,602</u>	<u>508,099</u>

	2015	2014
The average number of employees during the year was	11	13

No member of staff received emoluments of more than £60,000 during the year.

Staff costs have been analysed as:

	2015 £	2014 £
Direct charitable expenditure	147,840	202,256
Costs of generating funds	199,512	211,435
Governance	2,871	1,639
Support	80,379	92,769
	<u>430,602</u>	<u>508,099</u>

Redundancy costs

During the year, redundancy payments totalling £13,000 and Ex Gratia payments totalling £3,700 were made.

7. Support Costs

	2015 £	2014 £
Staff costs	80,379	92,769
Premises costs	51,440	53,838
Other support costs	56,703	9,850
	<u>188,522</u>	<u>156,457</u>

Support costs are those that are incurred by the charity in support of, but cannot be directly attributed to, its main activities. AfriKids remains a small charity with minimal overheads and as such the support costs consist of only two broad elements; general office costs, and management staff time that cannot be directly attributed to direct charitable activities, fundraising or governance. These they have been allocated to activities on a basis consistent with the use of resources.

Support costs have been analysed as:

	2015 £	2014 £
Direct charitable expenditure	79,580	139,743

Costs of generating funds	107,397	16,097
Governance	1,545	617
	<u>188,522</u>	<u>156,457</u>

8. Net income (expenditure) for the year

	2015	2014
	£	£
Depreciation	1,747	2,183
Audit fees	4,800	4,710

9. Fixed Assets

	Computers & Office Equipment £
Cost	
At 1 January 2015	22,000
Additions in year	-
At 31 December 2015	<u>22,000</u>
Depreciation	
At 1 January 2015	13,265
Charge for the period	1,747
At 31 December 2015	<u>15,012</u>
Net Book Value	
At 31 December 2015	<u>6,988</u>
<i>At 31 December 2014</i>	<i>8,735</i>

10. Debtors - Amounts falling due within one year

	2015	2014
	£	£
Trade debtors	-	13,042
Prepayments and accrued income	9,566	9,665
Other debtors	954	301
	<u>10,520</u>	<u>23,008</u>

11. Creditors - Amounts falling due within one year

	2015	2014
	£	£
Loans	97,737	-
Trade creditors	7,500	399
Tax and social security creditor	6,955	13,079
Accruals & deferred income	10,378	26,516
	<u>122,570</u>	<u>39,994</u>

Loans

Included within loans are the following:

- Loan of £50,000 which is due for repayment in March 2016. Interest shall be paid on the balance of the loan for the time being outstanding at the rate of one percent over Barclays Bank Plc base rate from time to time. Such interest will be calculated on a daily basis and be payable on the Repayment Date. If AfriKids repays the loan in full when it falls due, the Lender will make a donation to AfriKids equivalent to the value of any interest paid.
- Loans of £25,000 and £20,000 which are due for repayment in March 2016. These loans are both interest free.

12. Movements in Funds

	At 1 January 2015	Incoming Resources	Outgoing Resources	Transfers in / (out)	At 31 December 2015
Restricted Funds:	£	£	£	£	£
AfriKids Medical Centre	2,750	735	(22,645)	19,160	-
Cordaid (Advancements in Healthcare)	-	26,053	(11,757)	-	14,296
Education Bridge	2,400	25,764	(28,164)	-	-
Education Fund	-	4,991	(4,991)	-	-
Family Livelihoods Support	-	25,386	(20,144)	-	5,242
Foundations for Life	-	3,226	(6,221)	2,995	-
Futures Freedom	-	124,027	(111,559)	-	12,468
GAS Partnership	32,339	62,749	(45,987)	-	49,101
Ghana Programme Fund	13,827	145,008	(158,835)	-	-
ICT Academy	5,241	21,618	(28,187)	1,328	-
Kassena Nankana Area Programme	-	24,908	(29,645)	4,737	-
KNAP BLF	55,154	18,661	(62,652)	-	11,163
KNAP Commonwealth (SCP Bongo)	14,294	16,177	(23,901)	-	6,570
Let's Read!	227	19,020	(18,652)	-	595
Medical Fund	-	-	(1,330)	1,330	-
New Beginnings 2	17,809	53,301	(31,250)	-	39,860
Next Generation Home	-	24,473	(19,473)	-	5,000
Opening Doors to Schools	-	80,446	(80,446)	-	-
Operation Mango Tree	7,299	36,573	(32,190)	-	11,682
Operation Smiles	-	24,050	(30,343)	6,293	-
Operation Zuarungu	1,389	4,717	(9,234)	3,128	-
School of Night Rabbits	-	10,265	(10,265)	-	-
Talensi Nabdam Area Programme	2,497	13,142	(15,639)	-	-
Transforming Futures	-	25,000	(25,000)	-	-
UK Support Costs	2,047	166,412	(166,443)	-	2,016
Young Entrepreneurs	6,320	48,885	(55,205)	-	-
Total Restricted Funds	163,593	1,005,587	(1,050,158)	38,971	157,993
Unrestricted funds	119,308	722,243	(689,373)	(38,971)	113,207
TOTAL FUNDS	282,901	1,727,830	(1,739,531)	-	271,200

The Trustees Report explains under Activities and Achievements in 2015 the nature of the programme work carried out on each of the funds listed above with 2 exceptions:

- The “Ghana Programme Fund” relates to funds that must be spent on the AfriKids Ghana programme with the exact use at the discretion of the Board of AfriKids Ghana.
- The “UK Support Costs” fund represents the restricted income received by AfriKids to be spent by/on the UK staff team in fundraising for and supporting the programmes of AfriKids Ghana.

In the Trustees’ opinion, there are sufficient resources held to enable each fund to be applied in accordance with the restrictions imposed by donors.

13. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed Assets	6,988	-	6,988
Current assets	228,789	157,993	386,782
Current liabilities	(122,570)	-	(122,570)
Net assets at 31 December 2015	113,207	157,993	271,200

14. Related parties

AfriKids has a long-standing contract with Connected Worlds, which is owned and managed by Fred Cohen, brother of AfriKids Trustee Georgina Fienberg. This relationship is reviewed each year to ensure that the services provided are the best value available. The cost of services provided by Connected Worlds in 2015 were £2,909, the majority of which was direct repayment for domain and e-mail hosting, and some of which was payment below market rate for IT services and website design.

Nick Eastcott is the father of an employee of AfriKids Limited and works as the Chairman of the GAS Partnership. Nick works on an expenses-only basis, and during the year was reimbursed expenses of £147 by AfriKids Ltd.

During the year J Hickman (a Trustee of AfriKids Ltd.) provided an interest-free loan of £25,000 to the Charity. The loan was repaid in full after the year end.

AfriKids Ltd. works closely with AfriKids Ghana, a separate company. The relationship manifests itself in two distinct areas; directly funding programmes, and building staff capacity to enable AfriKids Ghana to continue to deliver the highest quality programmes. During the year, AfriKids Ltd. granted £1,069,511 to AfriKids Ghana. At the end of the year, AfriKids Limited has a related company debtor of £954 due from AfriKids Ghana.

15. Trustees' remuneration and expenses

The Charity did not pay to its Trustees any remuneration or reimbursement of expenses during the year.

16. Operating lease commitments

AfriKids Ltd.'s head office has been leased until 2018. The cost of this is shown below:

	2015	2014
	£	£
Less than one year	41,124	37,055
Between two and five years	66,006	97,752
	107,130	134,807

Acknowledgements

AfriKids gratefully acknowledges each of the individuals and organisations who supported our work in 2015, with special thanks to:

Individuals

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Dax Patel
Emily Cowan
Fienberg Family
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Tom Jorgensen
Tony Pullinger

Community Fundraisers

Amanda Lawson
Bob Chaundy
Chris Arrowsmith
Clive Nyawo

Dan Parnell
Emma Mortoo
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Snaresbrook Primary
Thom Fish

Institutions, Trusts and Foundations

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Cordaid
Freemason's Grand Charity
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IPFA
Langley Grammar School
Paradigm Norton Trust
Pears Foundation
People's Postcode Lottery
Ravenstone School
RELX
Snaresbrook Primary School
St James's Place Foundation
The Chalk Cliff Trust
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Corporate partners

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McKay Williamson
Mike Wakeley
Mont Blanc
Paul Apowida
Richard Mullender
Ross & Ross Food
The Blues Kitchen
The Park Lane, Sheraton
White & Case LLP

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Lydia Groom
Martekie Quaye
Nina Salsotto Cassina

Trustees (including retirees and new appointments in the period)

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David Atugiya
Dr Gunther Faber (Patron)
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Jacqueline Moller Larsen
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Emma Watkins
Fred Cohen
Graham Hodgkin
Hugh Taylor
James Ball
Jane Howard
Jim and Tessa Rice
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Nick Lawson
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Friends of AfriKids USA

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