

# Annual Report and Financial Statements

For the year end 31 December 2017



## Annual Report and Financial Statements

For the year ended 31 December 2017

### Directors and Trustees

Duncan Spencer | Trustee; Chairman  
Georgie Fienberg | Founder and Trustee  
Jason Haines | Treasurer  
Vedrana B. Riley | Secretary (retired as trustee 29 November 2017)  
Jacqueline Møller Larsen | Trustee (retired as trustee 27 May 2017)  
John Hickman | Trustee  
Martin Ott | Trustee  
Frances Cleland Bones | Trustee

### Chief Executive Officer

Amy Parker

### Company Number

07534096

### UK Registered Charity Number

1141028

### Registered Office

21 Southampton Row, London, WC1B 5HA

### Auditors

**Hewitt Warin Ltd**  
Harlow Enterprise Hub, Edinburgh Way, Harlow, Essex CM20 2NQ

### Bankers

**Lloyds Bank**  
106 Kilburn High Road, Kilburn, London, NW6 4HY

**Ghana International Bank**  
67 Cheapside, London, EC2V 6AZ

The Trustees of AfriKids Ltd. are pleased to present their report together with the financial statements of the Charity for the year ended 31 December 2017.

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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

**FRONT COVER:** AfriKids continues to bring big smiles to little faces, and Emmanuel is no exception. Here he is with his Grandmother around the time that he took his first steps, at the age of 6, thanks to physiotherapy sessions received at the AfriKids Child Rights Centre in Sirigu. He is just one of many children living with cerebral palsy whose lives are being transformed thanks to the local AfriKids team.

We believe in the rights of all children,  
everywhere and that they should be valued,  
protected and met by all

### Our Vision is:

A prosperous and thriving world  
without poverty, where the rights of  
every child are valued, protected and  
met by all.

### Our Mission is:

To ensure that every child in Ghana is  
afforded his/her rights as outlined in  
the United Nations 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.

We exist to make this the reality for children in northern Ghana, where more than half of all families live in poverty and need our support to give their children the protection, health and education they need to escape poverty for good.

Our work is entirely led by local staff and volunteers, with a simple approach of listening to their communities and empowering them to make sustainable changes themselves.

We work with all levels of society, from parents and community groups, to the government and private sector, so that child protection, education and health systems work for all children, but especially those most at risk, including children without a safe home, children living with disabilities and girls.





## A message from our Chair

2017 was an eventful year. Political change, natural disasters and conflict dominated global news, and sadly many worthy appeals had to call on the support of the international community. The UK public has a long record of being among the world's most generous people and in 2017, 64% of the public donated money to help others. Over the last two years, there has also been a rise in the number of people in Africa supporting good causes, something no doubt facilitated by the impact of development work on emerging economies, and the opportunity this now presents to those with disposable income. The motivation to help others is felt universally; most people who can help want to, and do.

But in 2017, it was also reported that 56% of the UK population believe overseas aid is wasted.

Indeed, major funders have made strategic decisions and withdrawn funding in response to negative press, though evidence shows the UK public is not as impressionable as these funders may think. Public attitudes and concern for global poverty in fact remain stable. What this tells us is that faith in the organisations working to tackle global poverty is in decline, and as a result, people supporting and getting involved with such work has suffered and ultimately fewer people that need our help are getting it.

Of course there are challenges when working to end poverty, that comes with the territory and in many ways, that's the point. But as advocates and guardians for the vulnerable, we are rightly held to the highest standards. How we respond to the challenges we face, how we evolve, and crucially how we hold all stakeholders to account, is part of the journey to making change happen.

For organisations like AfriKids, which exist to overcome challenges and fight for those members of our global community who are let down by failing and under-resourced systems, giving up when we hit a hurdle is not an option.

**As long as there are children who are not safe, who cannot access basic healthcare or go to school, our work is not done and we have a duty to fight on.**

Those of you who have supported us for some time will know how AfriKids has evolved and grown over the years. The principles about how we work, however, are unwavering and unchanged. We will always be locally-



led, make changes that are sustainable without ongoing support and be transparent and accountable for every penny invested in us.

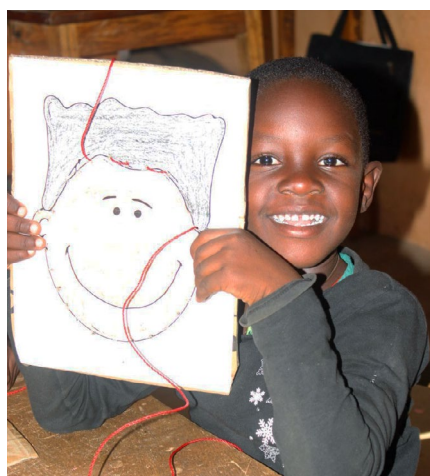
In 2017, we continued our work eradicating the harmful belief in "spirit children" in 40 more communities, while back in the areas where we have successfully achieved this, our support clinics saw more than 100 children (formerly feared as "spirits") and families living with physical disabilities like cerebral palsy. The support and care they receive has transformed life for these children, many of whom are now walking and even attending school, while their families have a support network, are trained in specialist care and are embraced by their communities. Our work ending child marriage reached out to more than 32,000 school pupils with education on sexual and reproductive health education and girls' rights. More than 5,000 of our youngest beneficiaries moved up from our new specialist early years classes, starting primary school with a solid foundation for learning, while in the 60 primary and junior high schools we worked with, an unprecedented 98% of pupils sat their exams, completing their basic education.

These are just a few of the highlights we hear from our colleagues in Ghana every day, and it gives us such pleasure to feed back to you, our supporters, that you have made these changes to vulnerable children's lives. Together we are helping Ghana's next generation break the cycle of poverty for good and I look forward to the day they lead us all in a brighter future.

I'd like to thank our brilliant small team in the UK and our remarkable colleagues in Ghana, for their tireless commitment and hard work every day. And of course, my sincere thanks on behalf of all of us to all of our supporters, for placing your faith and support in us and making our work possible. Together we are changing lives every day.

**Duncan Spencer**  
**Chair, AfriKids (UK)**

# Activities and achievements in 2017



Schools we worked with saw a 72% increase in enrolment and attendance

74% of pupils in kindergartens we worked with “achieved” in four assessment areas (exceeding the target of 65%)

## Improving Early Years Education

In 2017 we entered the second year of our partnership with Ghana Education Service and Sabre Trust to improve the quality of Early Years Education in northern Ghana. Particularly focused on raising literacy standards for 4 to 8 year olds, the project provides vital training to kindergarten teachers in specialist early years teaching, improve pupil attendance and learning outcomes.

72 schools directly benefited from the project last year and a 72% increase in pupil enrolment and attendance rates was recorded. In September, 5,645 of our youngest students successfully moved up to grade one in school, after completing a quality early years education in kindergarten. We trained 108 trainee teachers in specialist early years techniques; these fun and interactive approaches to learning are proven to make school more enjoyable, produce better learning outcomes in the formative stages and help children go further in their education as a result.

The children’s “graduation” was celebrated with assembly-style events, where the children performed plays, sang songs and recited poems to an encouraging and enthusiastic audience. Events like this, together with celebrations held for “my first day at school” are having a big impact in communities where many children are not enrolled in school at the right age.

## Opening Doors to Schools

Our work in education last year continued to help thousands of vulnerable children enrol in school and complete a quality basic education. We continued our work with 60 schools in communities where almost half of all children were dropping out of primary school, drastically limiting their chances of a life without poverty.

The achievements of this work were one again phenomenal and targets have been exceeded for the numbers of children sitting and passing their tests at the end of primary school. An incredible 98% of children last year sat their exams, marking their completion of primary school, and pass rates more than doubled.

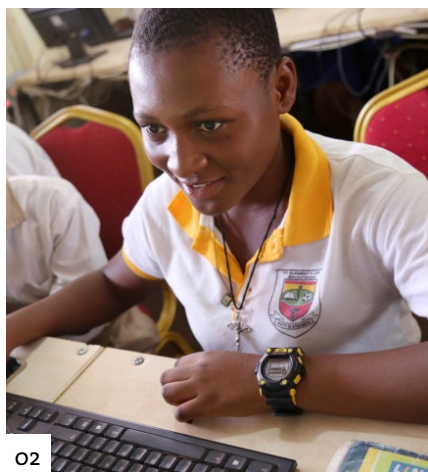


## Education

Since Opening Doors to Schools launched in 2015, 30% more children across our partner schools now pass literacy and numeracy tests, and 360 teachers now use child-centred teaching methodologies



01



02



03

An independent evaluation of this work will be conducted in March 2018 to fully assess the project's impact and provide learning for future projects.

### Transforming Futures

Building on the success of getting more children into school and progressing through all stages, we increased our support for teens and young adults looking to further their education beyond the basic levels. 90 students were supported with bursaries or student loans to train in teaching, nursing and higher education, boosting the skills base of the region to improve much needed public services. Our new student loan scheme provides a sustainable solution - when students are able to repay their loans, these will be used to fund new loans for more students.

### IT education for all

The AfriKids ICT Academy saw 2,843 people through its doors including children and adult students. This much in-demand facility in the heart of Bolgatanga provides free IT classes to children who would otherwise have limited or no access to computers, despite needing to pass IT exams as part of the national curriculum. It also provides valuable skills training to IT teachers in the area and to adults keen to develop their skills and improve their employment prospects. The project team worked with 20 schools.

### Inclusive education

This work, funded by the Big Lottery Fund, sought to improve access to and the quality of education in 45 schools in the Kassena Nankana district, with an emphasis on increasing accessibility for children with disabilities. In the schools we worked with, teacher attendance and performance rates increased to 88%. 54% and 57% of P3 and P6 students passed Maths and English; an increase from 26% in English and 33% in Maths.

The project also carried out health screenings on 13,818 children to identify any basic issues that might impair their learning like poor sight and hearing.

### The Young Entrepreneurs Programme

40 young people were supported on our Young Entrepreneurs Programme to attend Senior High School or pursue vocational training. Most of these children had incredibly tough starts in life and grew up in children's homes like Mama Laadi's Foster Home. This project offers them the support they need as they move on and set up for independent life, with the skills they need to secure their own livelihoods and take care of themselves.

01: Schools in northern Ghana are typically under-resourced, with as many as 5-6 pupils sharing one desk

02: Students preparing for their final Basic Education Certificate Examinations in 2019 and 2020 receive practical training at the ICT Academy

03: Bernice is one of 40 Young Entrepreneurs AfriKids is supporting through their higher education or vocational training

# Godfred spent his childhood working in small-scale gold mining and is now advancing his way through one of AfriKids' partner schools

Godfred (pictured below right) is 16-years of age and from a large family living in the north. When Douglas, an Opening Doors to Schools Education Campaigner first met Godfred, he had never been to school and was doing small-scale “galamsey” gold mining in his local community in order to support his family’s livelihood. Like many other children from this region who skip school in order to work, Godfred’s future was looking bleak and lacked the opportunities that would be available to him were he attending school.

Over time, Douglas built up a relationship with Godfred and his family, earning their trust and working to understand the obstacles they faced which prevented Godfred and his siblings from going to school. He discussed with them the importance of education, and how investing in an education for the family’s children would help to break the cycle of poverty that they were in and improve their future prospects.

Not long later, Godfred was placed into AfriKids’ Complimentary Basic Education project, a literacy programme providing out of school children with a stepping stone phase of literacy classes before supporting them to enrol in formal schooling. Upon completion of the programme, Godfred was assessed and placed into one of the schools Opening Doors to Schools is partnered with, where he is performing well. He even leads many of the school’s cultural performances, illustrating his singing and traditional guitar skills! He is an inspiration to his peers.

Godfred’s parents now attend regular PTA meetings at his school, helping to improve school governance systems and operations, as well as working to galvanise more community education campaigners in their community.



Douglas is one of many volunteer Education Campaigners who are star-players in Opening Doors to Schools. Together, they have helped over 76 children return to school after dropping out.







## Child Protection



01

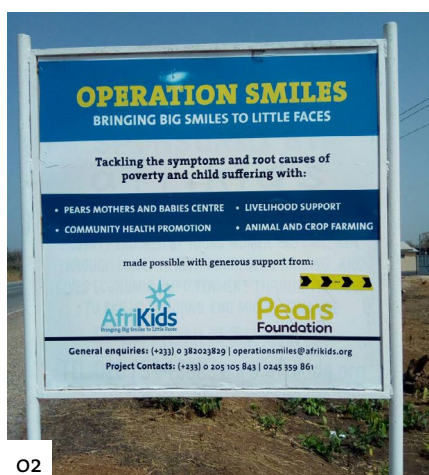
### Ensuring vulnerable babies and children have a safe home

With support from our good friends at Pears Foundation, we were finally able to give Sister Jane's babies home a much-needed facelift and expansion. In the very remote community of Nakwaabi, Sister Jane's home is a lifeline to very vulnerable mothers and babies, many of whom face life-threatening malnourishment and sickness and may have been ostracised from their communities.

During their temporary stay at the home, mothers (many of whom are very young or have mental health concerns) and their babies are nursed back to health and given advice and training in nutrition and child care to prepare them for independent life. Sister Jane works across many rural communities to educate women on maternal and child health and the importance of education, helping to prevent the issues her centre sees every day, while also working to resettle her residents for life beyond the home.

The new Pears Mothers and Babies Centre can now offer refuge and support to up to 35 babies and their carers with purpose-built facilities.

The finishing touches were being put to the centre as the children and carers enjoyed an extra special Christmas party this year.



02

### Reducing teenage pregnancy and ending child marriage

In its third year, our Futures' Freedom programme is exceeding ambitions to reduce teenage pregnancy and end child marriage.

This year we trained 90 midwives and public health nurses so they can better support adolescents. More than 32,000 students received comprehensive sexual health education in schools and local nurses conducted home visits, helping to increase the number of supervised deliveries, antenatal attendance and uptake of family planning services.

We recorded an impressive performance from the project's Child Rights Clubs which educate young people on their sexual and reproductive health and rights with inter-school debates, sporting events and quizzes taking place with students demonstrating their ability to clearly discuss and debate issues in relation to their sexual and reproductive health, speaking out against negative practices like child marriage and female genital mutilation.





03

01: A very big smile from one of the children who was staying with Sister Jane in 2017

02: The new Pears Mothers and Babies Centre boasts a brand new kitchen and new beds for all of its young residents!

03: Young people listen to a talk on sexual reproductive health and rights thanks to AfriKids' Futures' Freedom project.

5,371 girls demonstrated their assertiveness by participating actively in drama shows and featuring on radio discussions educating the general population on their sexual and reproductive health and rights.

### Ending the Spirit Child Phenomenon

AfriKids recorded the end of the Spirit Child Phenomenon (SCP) in the village of Sirigu five years ago and since then, we have expanded the work tackling this damaging cultural belief which puts children at risk. In short, the Spirit Child Phenomenon is a belief that a child born with health problems, disabilities or whose birth coincides with tragic events, is a spirit sent from the bush to cause misfortune for their family. As a result, the child may be subjected to abuse, neglect or even infanticide.

Between 2014 and 2017 we expanded our work tackling the Spirit Child Phenomenon to 40 new communities in Bolgatanga and Bongo, thanks to both the Commonwealth Foundation and Medicor Foundation. An independent evaluation of the project reported that “the extent of changes in attitudes and practices towards vulnerable children accused or [at] risk [of] being accused or diagnosed of being spirit children was immense.”

The evaluation confirmed “a declining trend in infanticide and other rights violations promoted by traditional beliefs in SCP to the extent that there were massive declarations among the various categories of project stakeholders that no such cases were heard of in the past three years.”

Our knowledge, attitude and practice surveys also revealed that community members really had a shift in attitude towards spirit children; by the end of the project, 96% of community members were willing to accept disabled children, well exceeding our initial target of 70%.



### Transforming the lives of children living with a disability

AfriKids' work supporting children living with physical disabilities like cerebral palsy went from strength to strength in 2017, with two of the young boys the team has been supporting taking their first ever steps, and many more following close behind them. Evolving out of AfriKids' pioneering work changing attitudes and beliefs regarding "spirit children", this work ensures that children living with a disability, many of whom were previously perceived to be "spirit children" by their families and communities, receive the care and support they need to live a happy and healthy life.

Our specialist physiotherapy service delivered at the AfriKids Child Rights Centre in the heart of Sirigu ran monthly sessions throughout the year, attended by an average of 20 children and their care-givers each time. Many of the families in attendance had travelled the long and tiring 20km + distance from nearby villages in order that their child could get much-needed support.



With many mothers walking or cycling for over four hours from nearby communities in order to access this much-needed service, AfriKids responded by expanding this work and providing physiotherapy sessions in an existing healthcare clinic in the district of Bongo, 21 km from Sirigu, saving many families the long and tiring journey. AfriKids also funded the construction of a new centre for the physiotherapy sessions right next door to the clinic. The centre's opening was marked with an exciting community celebration, coinciding with World Cerebral Palsy Day and attended by hundreds of local community members as well as AfriKids staff, Ghana Health Service, Ghana Education Service, Department for Social Welfare, District Assembly members and traditional rulers. The centre can see 45 children at any one time.



# Ritchie steps towards a brighter future

Ritchie was born with a serious medical condition which meant he was unable to sit or walk. At age 7, thanks to support provided by AfriKids, he took his first steps!

Ritchie was born with hydrocephalus, a condition where fluid gathers on the brain which can cause problems with a child's physical and mental development. From a poor and isolated community in northern Ghana and with very little support and information available to them, Ritchie's family did not understand his condition. They struggled to give Ritchie the care he needed and as a result, his life was seriously at risk.

When Ritchie was three years old, he and his family met Joe Asakibeem from the AfriKids Ghana team (pictured right with Ritchie). Joe helped Ritchie's family to find the right medical support for Ritchie's condition. In addition, AfriKids had established a physiotherapy centre for children living with a disability in a local community, and Ritchie's family began taking him to weekly sessions to improve his mobility, body strength and comfort. They were also trained on how to do simple exercises with him at home, which would help to progress his physical and cognitive development. During the sessions, Ritchie was also able to spend time with other children and his parents were able to meet other families in a similar situation, quickly realising they were not alone.

Last year, seven years after his birth and less than a year after his first physiotherapy session, Ritchie has taken his first courageous steps. His family report that he is already able to collect his own drinking water from the kitchen and use the toilet by himself. Ritchie's communication skills have also significantly improved, and the team have noticed that he is beginning to develop fantastic listening and retentive skills, which means he will soon be able to attend school and benefit from an education like other children his age.



# Launching our new strategy

## *Clearer Focus, Wider Reach*

In March 2017 we launched our new three-year strategy to take on the next levels of change in northern Ghana.

It is thanks to the incredible support received over the years that we have been able to transform the lives of so many people in Ghana and we are excited to be continuing this life-changing work with our inspiring, local team who are driving change in their communities every day.

The support we have received has enabled us to transform the lives of thousands of children in northern Ghana:

- we have ended child labour in the mines of Talensi Nabdam
- we have helped children off the streets of Bolgatanga
- we have eradicated the killing of “spirit children” in seven communities in Kassena Nankana
- we have helped thousands of families lift themselves out of poverty and get their children into school

### The next levels of change

Our local team in Ghana have been building a movement over the past twenty years. As local change makers themselves, they work to inspire others in their communities to ensure that every child can be happy, healthy, safe and in school, whatever their start in life.

We now have the momentum and learning behind us, local people and communities are on board and we have seen the lives of thousands of people transformed. Headed up by our Director of Programmes, David, our unique model of development has proven it works and now we want to push it further.

### The next step

Looking forward, our work will be focussed on three of the key child rights issues needing our support: education, child protection and health.



### Education

We will be working to increase enrolment, improve the quality of teaching and addressing the root causes of why children are dropping out of school early. We'll also be encouraging and supporting more children to progress to higher education so they have better opportunities in their future.

Lives we'll transform:

- 730 children will be off the streets and back at school
- 1,944 teachers will be trained as early years specialists to improve children's first years of education
- 9,460 children's first days at school will be celebrated to encourage enrolment
- 45 schools will be made accessible to children with disabilities

### Child Protection

We will be making sure that more children have a safe and supportive home to grow up in, reducing issues in the community that threaten children's rights, such as child marriage and child labour, and improving the services in place to protect children at risk of abuse, neglect and exploitation.



### Lives we'll transform:

- 153 children without a safe home will be given a safe, family environment in residential care to grow up in or resettled with family where possible
- Over 32,000 children will attend our Child Rights Clubs to learn about their rights and how to make sure they're never compromised
- 840 women, who married as children, will be educated on the importance of their children's sexual and reproductive health and rights and the dangers of teenage pregnancy

## Health

We will be ensuring more children can access free healthcare through the Ghanaian government's National Health Insurance Scheme, improving the quality of services available, supporting children with disabilities and empowering communities with a better understanding of their health and well-being.

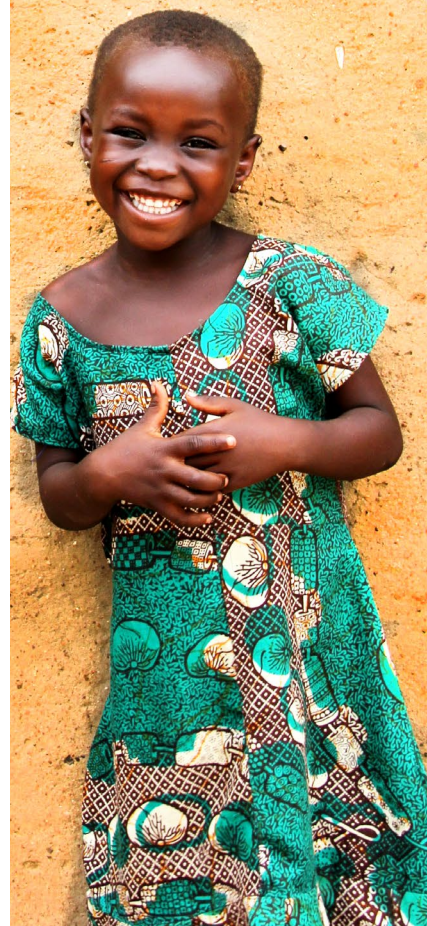
### Lives we'll transform:

- 2,230 children will be health screened at school
- 3,320 healthcare workers will attend training sessions to improve healthcare and patient services
- 5,260 family planning and childcare advice sessions will be held for women living in rural areas

These three programmes of work will be pushed into new geographical areas stretching beyond our current focus. Having identified similar issues in neighbouring regions, we will now expand and replicate our model to cover all districts of the Upper East Region as well as some in the Upper West and Northern Regions.

'People in northern Ghana are now standing up and demanding more: of each other and of our government, to give every child the chance to break the cycle of poverty for good. We have proved that with care and determination, the smallest seed can grow in to the tallest tree, and when our children see what we have done, they realise they can do anything too.'

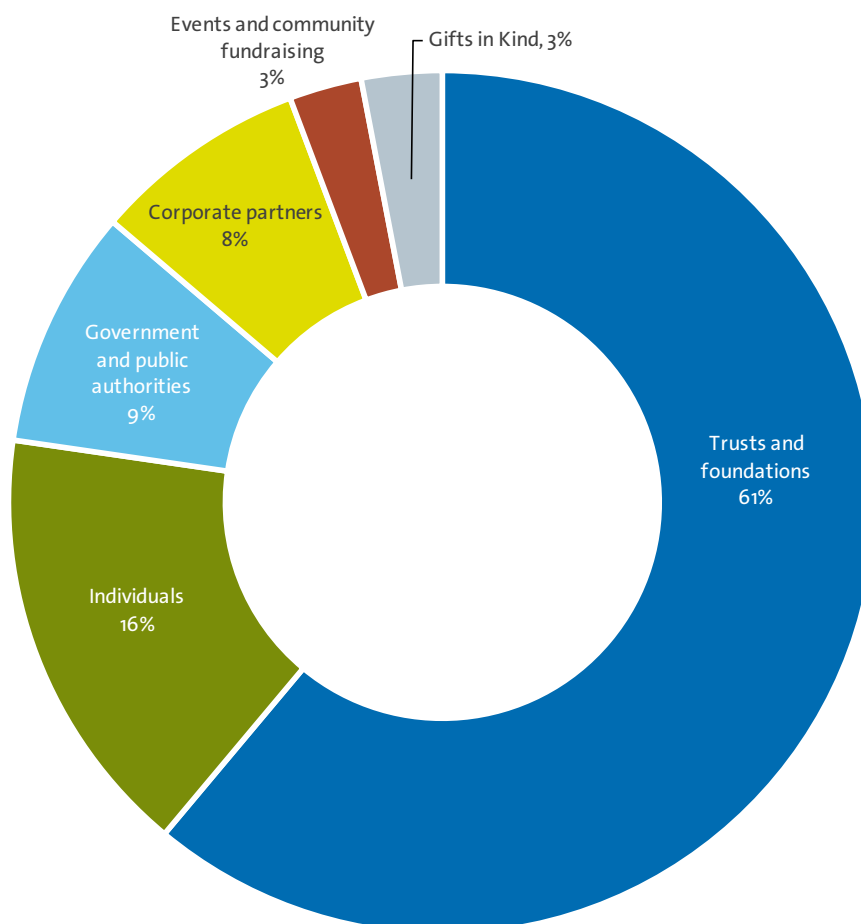
Nich Kumah,  
AfriKids Ghana Director



## 2017 income and expenditure

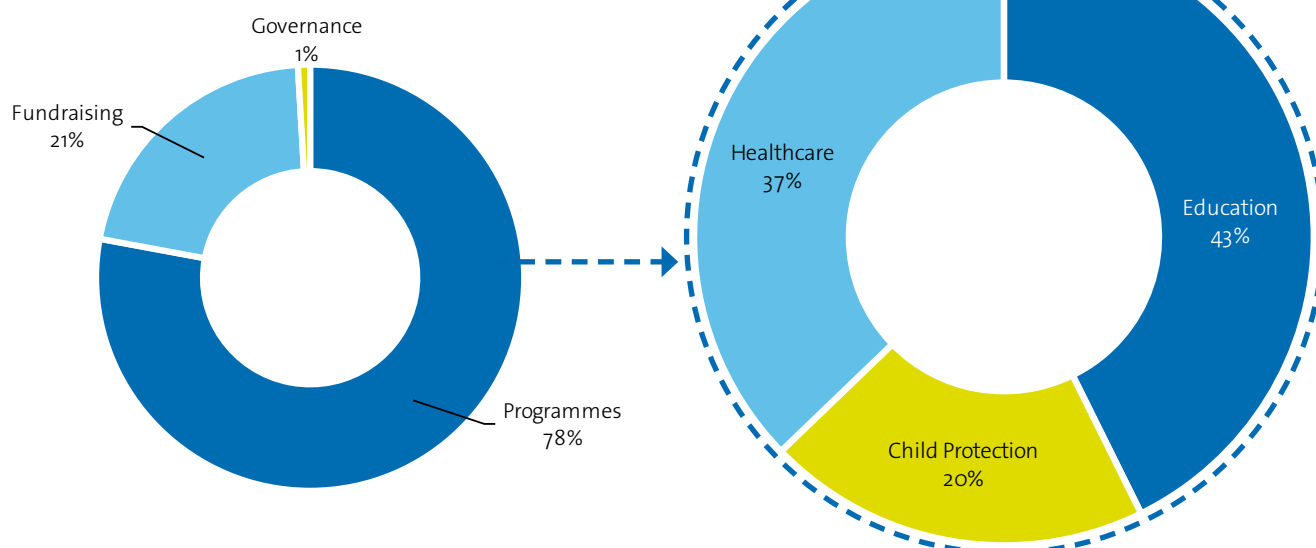
### Income

£1,907,034



### Expenditure

£2,007,156





## Financial Review

The success of 2016 created a platform for financial stability in 2017, with high levels of unrestricted funds carried into the year.

The Trustees are reporting a decrease in income from the previous year. Income in 2017 decreased by 32% (£908k) to £1.907m (2016: £2.815m), due in a large part to a £800k unrestricted legacy gift received during 2016 that inflated the income for the year above normal levels. 2017 saw income return to expected levels whilst still representing an increase on income in 2015.

Overall spend decreased by 9% (£188k) to £2.007m (2016: £2.195m) with spend on charitable activities decreasing by 14% (£255k) to £1.583m (2016: £1.838m). Spend on fundraising activities in the UK office increased by 19% (£69k) to £425k (2016: £356k).

The net effect of this was that the charity returned a deficit of £100k (2016: £621k surplus), as it spent some of the surplus from the previous year.

### Reserves

The trustees' policy is that the balance of reserves held by AfriKids should be no less than £200k which equates to around three months of the organisation's running costs and one monthly transfer to AfriKids Ghana. 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, decreased from £620k to £391K, and at the end of the period they were equivalent to around six months' running costs and one monthly transfer to AfriKids Ghana. This is in line with the organisation's policy.

# Governance

## Definitions

AfriKids Limited / AfriKids Ltd. / AfriKids UK	the charity registered in England and Wales 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

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.

## 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.



## Annual Report and Financial Statements

For the year ended 31 December 2017

### 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:

<i>Chair</i>	Duncan Spencer
<i>Founder &amp; Trustee</i>	Georgie Fienberg
<i>Treasurer</i>	Jason Haines
<i>Trustee</i>	John Hickman
<i>Trustee</i>	Frances Cleland Bones
<i>Trustee</i>	Martin Ott
<i>Trustee</i>	Jacqueline Møller Larsen (retired 27 May 2017)
<i>Secretary</i>	Vedrana B Riley (retired 29 November 2017)

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 18 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 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.

Cashflow risk is mitigated by monthly review of the funding pipeline for the following twelve months.

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

# Statement of Trustees' Responsibilities

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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

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

Signed:



Duncan Spencer (Jun 21, 2018)

Mr. Duncan Spencer  
Chair, Board of Trustees, AfriKids Ltd.

Dated Jun 21, 2018



Jason Haines (Jun 21, 2018)

Jason Haines  
Treasurer, Board of Trustees, AfriKids Ltd.

Dated: Jun 21, 2018

# Independent Auditors' Report to the Trustees

We have audited the financial statements of AfriKids Limited (the 'charitable company') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the



## Annual Report and Financial Statements

For the year ended 31 December 2017

Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

### 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 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.

### Responsibilities of trustees

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

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

### Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but

## Annual Report and Financial Statements

For the year ended 31 December 2017

is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.



Jeffrey Warin BSc FCA (Senior Statutory Auditor)  
for and on behalf of Hewitt Warin Ltd  
Chartered Accountants and Statutory Auditors  
Harlow Enterprise Hub, Edinburgh Way  
Harlow, Essex  
CM20 2NQ

Dated Jun 22, 2018

## Annual Report and Financial Statements

For the year ended 31 December 2017

# Statement of Financial Activities

(incorporating the Income and Expenditure Account) for the year to 31 December 2017

		Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £
Note							
<b>Incoming resources</b>							
<b>Incoming resources from generated funds:</b>							
<i>Voluntary income:</i>							
Grants	2	296,781	1,031,658	1,328,439	277,476	1,205,537	1,483,013
Donations and legacies	2	317,161	238,963	556,124	1,113,710	214,309	1,328,019
<i>Income from charitable activities:</i>							
Fundraising	3	5,175	7,520	12,695	4,069	-	4,069
Investment income	4	30	-	30	217	-	217
<b>Other income</b>		<b>9,746</b>	<b>-</b>	<b>9,746</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total incoming resources</b>		<b>628,893</b>	<b>1,278,141</b>	<b>1,907,034</b>	<b>1,395,472</b>	<b>1,419,846</b>	<b>2,815,318</b>
<b>Resources expended</b>							
Charitable activities	5	19,104	1,563,415	1,582,519	26,003	1,812,030	1,838,033
Fundraising	6	424,637	-	424,637	306,450	50,000	356,450
<b>Total resources expended</b>		<b>443,741</b>	<b>1,563,415</b>	<b>2,007,156</b>	<b>332,453</b>	<b>1,862,030</b>	<b>2,194,483</b>
<b>Net incoming resources before transfers</b>		<b>185,152</b>	<b>(285,274)</b>	<b>(100,122)</b>	<b>1,063,019</b>	<b>(442,184)</b>	<b>620,835</b>
<b>Gross transfers between funds</b>		<b>(414,319)</b>	<b>414,319</b>	<b>-</b>	<b>(556,093)</b>	<b>556,093</b>	<b>-</b>
<b>Net income / (expenditure) in year and net movement in funds for the year</b>	<b>10</b>	<b>(229,167)</b>	<b>129,045</b>	<b>(100,122)</b>	<b>506,926</b>	<b>113,909</b>	<b>620,835</b>
<b>Total funds brought forward</b>		<b>620,133</b>	<b>271,902</b>	<b>892,035</b>	<b>113,207</b>	<b>157,993</b>	<b>271,200</b>
<b>Total funds carried forward</b>	<b>16</b>	<b>390,966</b>	<b>400,947</b>	<b>791,913</b>	<b>620,133</b>	<b>271,902</b>	<b>892,035</b>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.



## Annual Report and Financial Statements

For the year ended 31 December 2017

# Balance Sheet

as at 31 December 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible Assets	11	6,547	8,184
Investments	12	-	1
<b>Total fixed assets</b>		<b>6,547</b>	<b>8,185</b>
<b>Current assets</b>			
Debtors	13	26,554	78,493
Cash at bank and in hand		771,262	844,717
<b>Total current assets</b>		<b>797,816</b>	<b>923,210</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	(12,450)	(39,360)
<b>Net current assets</b>		<b>785,366</b>	<b>883,850</b>
<b>Total assets less current liabilities</b>		<b>791,913</b>	<b>892,035</b>
<b>The funds of the charity</b>			
Restricted Funds		400,947	271,902
Unrestricted Funds		390,966	620,133
<b>Total funds</b>	<b>16,17</b>	<b>791,913</b>	<b>892,035</b>

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 102 SORP (effective) January 2015.

Approved by the Board on Jun 21, 2018 and signed and dated on their behalf below:

  
Duncan Spencer (Jun 21, 2018)

Duncan Spencer  
Chair, Board of Trustees, AfriKids Ltd.

Date: Jun 21, 2018

  
Jason Haines (Jun 21, 2018)

Jason Haines  
Treasurer, Board of Trustees, AfriKids Ltd.

Date Jun 21, 2018

## Annual Report and Financial Statements

For the year ended 31 December 2017

# Statement of Cash Flows

for the year to 31 December 2017

		2017	2016
	Note	£	£
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>	<b>22</b>	<b>(73,486)</b>	<b>570,264</b>
<b>Cash flows from investing activities:</b>			
Interest income		30	217
Purchase of tangible fixed assets		-	(4,649)
Disposal of investment		1	-
<b>Net cash provided by (used in) investing activities</b>		<b>31</b>	<b>(4,432)</b>
<b>Cash flows from financing activities:</b>			
Repayments of borrowing		-	(97,737)
New borrowing		-	-
<b>Net cash provided by (used in) financing activities</b>		<b>-</b>	<b>(97,737)</b>
<b>Increase (decrease) in cash and cash equivalents in the year</b>		<b>(73,455)</b>	<b>468,455</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>844,717</b>	<b>376,262</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>771,262</b>	<b>844,717</b>

# Notes to the Accounts

for the year ending 31 December 2017

## **1. Principal accounting policies**

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

### **(a) Basis of accounting and preparation**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are presented in sterling (£) which is also the functional currency for the company.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The address of the principal office is given on the information on page 2 of these financial statements. The nature of the charity's operations and principal activities are set out on page 3.

### **b) Going Concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

### **(c) Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 a restatement of comparative items was needed. No restatements were required. The transition date was 1 January 2015.

The transition to FRS102 has had no impact on the fund balances.

### **(d) Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from government and other grants, whether 'capital' grants or 'revenue' grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the



## Annual Report and Financial Statements

For the year ended 31 December 2017

amount can be measured reliably and is not deferred.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Interest income is recognised using the effective interest method.

### (e) 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.

### (f) 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.

### (g) Tangible fixed assets and depreciation

Tangible fixed assets costing over £500 (including any incidental expenses of acquisition) are Capitalised. 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.

### (h) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### (i) Foreign currency

Foreign currency is purchased in on a monthly basis for electronic transfer to Ghana, valued at the spot rate. Forward contracts may also be taken out where the exchange rate is favourable and these are drawn down over the course of the financial year at the contract rate such that all funds are completely drawn down by the end of the year.

## Annual Report and Financial Statements

For the year ended 31 December 2017

**(j) Group accounts**

The financial statements contain information about AfriKids Limited as an individual company and do not contain consolidated information. The company has taken the option under section 405 of the Companies Act not to prepare consolidated financial statements.

**(k) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(l) 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.

**(m) Operating leases**

Rentals applicable to operating leases are charged to the Statement of Financial Activities (SoFA) over the period in which the cost is incurred.

**(n) Taxation**

The company is a registered charity and is therefore entitled to the exemptions from corporation tax afforded by section 505 of the Income and Corporation Taxes Act 1988. Accordingly, there is no corporation tax charge in these financial statements.

**(o) Judgements and key sources of estimation uncertainty**

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

*Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible fixed assets, and note 1(g) for the useful economic lives for each class of assets.

*Gifts in kind*

Where possible the donor of the service is asked to provide details of the rate that they would charge for the service provided to the charity free of charge. Where this information is not provided, the estimated market rate based on other providers of this service is used.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## Annual Report and Financial Statements

For the year ended 31 December 2017

### 2. Voluntary income

	2017	2016
	£	£
Grants	1,328,439	1,328,019
Donations	556,124	683,013
Legacies	-	800,000
	<u>1,884,563</u>	<u>2,811,032</u>

Legacy income includes an unrestricted gift of £nil (2016: £800,000).

Total voluntary income for the year was £1,884,563 (2016: £2,811,032) of which £1,270,621 (2016: £1,419,846) was restricted and £613,942 (2016: £1,391,186) was unrestricted.

	2017	2016
	£	£
Gifts in kind:		
Donated services	<u>57,000</u>	<u>53,424</u>
	<u>57,000</u>	<u>53,424</u>

During the year the charity received in-kind support in the form of services recognised in these accounts.

#### Government funding

Voluntary income also includes a grant from the UK Government's Department for International Development (DfID):

£169,885 for the Futures Freedom project and associated UK support costs

### 3. Fundraising income

2017	2016
£	£
<u>12,695</u>	<u>4,069</u>

Fundraising income totalled £12,695 (2016: £4,069) of which £7,520 (2016: £nil) was restricted and £5,175 (2016: £4,069) was unrestricted.



## Annual Report and Financial Statements

For the year ended 31 December 2017

### 4. Investment income

All of the charity's investment income of £30 (2016: £217) arises from money held in interest bearing deposit accounts and was unrestricted (2016 - unrestricted).

### 5. Charitable activities costs

	2017	2016
	£	£
Staff costs (of time spent on charitable activities)	38,494	37,711
Grants to AfriKids Ghana	1,449,670	1,682,664
Direct programme spend in the UK	21,107	28,998
Monitoring and evaluation expenses	19,648	28,695
Support costs	35,203	39,174
Governance costs (see note 7)	18,397	20,791
	<u>1,582,519</u>	<u>1,838,033</u>
Spend on charitable activities by service area:		
Education	667,863	849,694
Child protection	314,022	174,777
Healthcare	582,237	792,771
Governance costs	18,397	20,791
	<u>1,582,519</u>	<u>1,838,033</u>

Total expenditure on charitable activities was £1,582,519 (2016: £1,838,033) of which £1,563,415 (2016: £1,812,030) was restricted and £19,104 (2016: £26,003) was unrestricted.

## Annual Report and Financial Statements

For the year ended 31 December 2017

### 6. Fundraising costs

	2017	2016
	£	£
Staff costs (of time spent on fundraising activities)	205,420	162,480
Fundraising events	3,123	8,282
Other direct costs	28,233	16,905
Support costs	187,861	168,783
	<u>424,637</u>	<u>356,450</u>

Total expenditure on fundraising was £424,637 (2016: £356,450) of which £nil (2016: £50,000) was restricted and £424,637 (2016: £306,450) was unrestricted.

### 7. Governance costs

	2017	2016
	£	£
Staff costs (of time spent on governance activities)	6,504	5,789
Audit	5,606	8,302
Other direct costs	339	687
Support costs	5,948	6,013
	<u>18,397</u>	<u>20,791</u>

### 8. Support costs

	2017	2016
	£	£
Staff costs (of time spent on support activities)	50,673	42,157
Premises costs	54,586	55,942
Other support costs	123,753	115,871
	<u>229,012</u>	<u>213,970</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 costs have then been allocated across fundraising and charitable activities based on the staff time spent on each of these two areas.

## Annual Report and Financial Statements

For the year ended 31 December 2017

Support costs have been allocated as:

	2017	2016
	£	£
Charitable activities	35,203	39,174
Fundraising	187,861	168,783
Governance	5,948	6,013
	<u>229,012</u>	<u>213,970</u>

### 9. Total staff costs

	2017	2016
	£	£
<b>Total salary cost</b>		
Gross wages and salaries	255,343	227,270
Employer's national insurance	23,637	20,868
Other pension costs	22,111	
	<u>301,091</u>	<u>248,138</u>

The average number of employees during the year was:

7

7

One member of staff received emoluments of over £60,000 (2016: 'None').

The key management personnel of the charity, comprise the trustees, the Chief Executive Officer, and the Chief Operating Officer. The total employee benefits of the key management personnel of the charity were £121,936 (2016: £120,306)



## Annual Report and Financial Statements

For the year ended 31 December 2017

### 10. Net income (expenditure) for the year

	2017	2016
	£	£
<b>This is stated after charging:</b>		
Depreciation	1,637	3,453
Auditors remuneration:		
Audit	5,606	5,370
Non audit	-	2,932
Payments under operating leases	42,973	41,124

### 11. Fixed assets

#### Computers & office equipment

£

#### Cost

As at 1 January 2017	16,402
Additions in year	-
Disposals in year	-

**As at 31 December 2017**

**16,402**

#### Depreciation

At 1 January 2017	8,218
Charge for the period	1,637
Disposals in year	-

**As at 31 December 2017**

**9,855**

#### Net Book Value

**As at 31 December 2017**

**6,547**

*As at 31 December 2016*

*8,184*

## Annual Report and Financial Statements

For the year ended 31 December 2017

### 12. Investments

The charity held 1 share of £1 in its wholly owned subsidiary company AfriKids Blue Sky Travel Limited which was incorporated in the United Kingdom and was dissolved during the course of 2017.

### 13. Debtors: amounts falling due within one year

	2017	2016
	£	£
Prepayments and accrued income	14,792	42,674
Other debtors	11,762	35,819
	<u>26,554</u>	<u>78,493</u>

### 14. Creditors: amounts falling due within one year

	2017	2016
	£	£
Other loans	-	-
Trade creditors	7,170	6,606
Tax and social security creditor	-	8,987
Accruals and deferred income	5,280	23,767
	<u>12,450</u>	<u>39,360</u>

### 15. Deferred income:

	2017	2016
	£	£
Balance as at 1 January 2017	16,329	-
Amount deferred in year	-	16,329
Amounts released to income earned from charitable activities	(16,329)	-
Balance as at 31 January 2017	<u>-</u>	<u>16,329</u>

Deferred income related to a restricted grant received in relation to 2017 wages costs

## Annual Report and Financial Statements

For the year ended 31 December 2017

### 16. Movement in funds

	At 1 January 2017 £	Incoming Resources £	Outgoing Resources £	Transfers in / (out) £	At 31 December 2017 £
<b>Restricted Funds:</b>					
AfriKids Medical Centre	-	10,914	(130,168)	125,619	6,365
Bolga Area Programme	6,409	2,232	(9,068)	427	-
Education Fund	14,911	4,521	(18,223)	439	1,648
Family Livelihoods Support Programme	22,306	17,933	(40,239)	-	-
Foundations for Life	41,299	150,480	(149,188)	-	42,591
Futures Freedom	76,440	107,490	(182,698)	-	1,232
GAS Partnership	21,700	39,957	(24,439)	-	37,218
Ghana programme management and support	-	355,237	(523,429)	282,012	113,820
ICT Academy	1,989	17,246	(12,235)	-	7,000
Kassena Nankana Area Programme	-	20,904	(27,174)	6,270	-
KNAP Commonwealth	8,551	-	(8,116)	-	435
Let's Read	1,292	19,268	(19,435)	-	1,125
Next Generation Home	7,636	6,398	(13,595)	(439)	-
Opening doors to schools	14,002	47,084	(40,707)	-	20,379
Operation Mango Tree	-	31,180	(25,994)	-	5,186
Operation Smiles	-	183,421	(146,267)	-	37,154
Operation Zuarungu	762	-	(753)	(9)	-
Spirit Child Phenomenon	-	72,500	-	-	72,500
Talensi Nabdam Area Programme	16,030	-	(16,030)	-	-
Transforming Futures	-	45,917	(38,360)	-	7,557
UK Support Costs	25,833	72,958	(92,191)	-	6,600
Young Entrepreneurs Programme	12,742	72,501	(45,106)	-	40,137
<b>Total restricted funds</b>	<b>271,902</b>	<b>1,278,141</b>	<b>(1,563,415)</b>	<b>414,319</b>	<b>400,947</b>
Unrestricted funds	620,133	628,893	(443,741)	(414,319)	390,966
<b>TOTAL FUNDS</b>	<b>892,035</b>	<b>1,907,034</b>	<b>(2,007,156)</b>	<b>-</b>	<b>791,913</b>

## Annual Report and Financial Statements

For the year ended 31 December 2017

Project name	Description
AfriKids Medical Centre	A public-private hospital established by AfriKids that provides primary healthcare to patients enrolled on the National Health Insurance Scheme and private patients.
Bolga Area Programme	The project team and support costs covering our project activities in the Bolgatanga district area, namely Opening Doors to Schools; Futures Freedom and the School of Night Rabbits (a project which was funded locally in 2017).
Education Fund	School fees and living support for children from poor families to attend Senior High School
Family Livelihoods Support Programme	Providing micro loans, entrepreneurial skills training and family care advice to poor families.
Foundations for Life	Improving the number of children who attain quality early years education.
Futures Freedom	Educating children and communities on sexual and reproductive health and rights (SRHR) to end child marriage and promote the rights of women and girls.
GAS Partnership	A health link between Ghana Health Service, AfriKids and University Hospital Southampton NHS Foundation Trust (UHS), working to improve healthcare in northern Ghana.
Ghana programme management and support	Project managers and central senior management and support of AfriKids' projects, including monitoring and evaluation, finance, HR, IT, staff training, vehicles and logistics and governance. This fund also includes an emergency Medical Fund for urgent cases presented at head office for our support.
ICT Academy	An academy providing access to computers and ICT classes for children and adults in the heart of Bolgatanga.
Kassena Nankana Area Programme	The project team and support costs covering our project activities in the Kassena Nankana East and West district areas, namely Spirit Child Phenomenon and support for children with disabilities; KNAP Commonwealth; Futures Freedom.
KNAP Commonwealth	The project run by our Kassena Nankana Team to eradicate the spirit child phenomenon from 11 communities in the Bongo and Bolgatanga districts.
Let's Read	A partner project working to improve literacy through enhanced teacher training and resources for teaching phonics in schools.
Next Generation Home	A "transition" home for children living on the streets or at risk until they can be resettled with families.
Opening Doors to Schools	Working with 60 primary high schools to improve the numbers of children who enrol and complete a basic education.
Operation Mango Tree	A residential home for children at risk and without a safe home. Children are resettled with families wherever possible.
Operation Smiles	A refuge and support centre for mothers and babies at risk. Cases include children affected by birth complications, maternal mortality, malnourishment, and stigmatisation (e.g. being labelled "spirits").
Operation Zuarungu	A school established by AfriKids, now streamlined into the Ghana Education Service system
Spirit Child Phenomenon	Work to eradicate the harmful belief in "spirit children" from 40 more communities across the Bongo and Bolgatanga district areas.
Talensi Nabdam Area Programme	The project team and support costs covering our project activities in the Talensi and Nabdam district areas, namely Opening Doors to Schools; Futures Freedom.
Transforming Futures	Student loans and counselling for young people training as teachers and nurses.
UK Support Costs	The fundraising, grant management, support and financial oversight work of the AfriKids UK team.
Young Entrepreneurs Programme	Support with school/training fees and living expenses for older children who have relied on the support of children's homes (institutional care) growing up to now set up on their own.



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The transfers between funds relate entirely to the use of unrestricted funds to provide funding for those funds that were in deficit.

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

### 17. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed assets	6,547	-	6,547
Current assets	396,869	400,947	797,816
Current liabilities	(12,450)	-	(12,450)
<b>Net assets at 31 December 2017</b>	<b>390,966</b>	<b>400,947</b>	<b>791,913</b>

### 18. Related parties

AfriKids Limited has a long-standing contract with Connected Worlds, which is owned and managed by Fred Cohen, brother of AfriKids Limited Trustee, Georgie Fienberg. This relationship was reviewed each year to ensure that the services provided are the best value available. The cost of services provided by Connected Worlds in 2017 was £1,356 (2016: £1,632), the majority of which related to direct repayment for domain and e-mail hosting, and some of which was payment for below market rate IT services and website design. This relationship ended in 2017.

AfriKids Limited works closely with AfriKids Ghana a separate company registered in Ghana. 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 Limited granted £1,449,670 (2016: £1,682,664) to AfriKids Ghana.

During the year AfriKids Limited received donations from trustees totalling £9,223 (2016: £5,312).

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### 19. Trustees' remuneration and expenses

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

### 20. Operating lease commitments

AfriKids' head office has been leased until 2018. The financial commitment is shown below:

	2017	2016
	£	£
Less than one year	22,002	44,004
Between two and five years	-	22,002
	<hr/>	<hr/>
	22,002	66,006

### 21. Company limited by guarantee

AfriKids is a company limited by guarantee and therefore has no share capital. The liability of the guarantors, who are the members, is limited to £10 each.

### 22. Reconciliation of net movement in funds to net cash flow from operating activities

	2017	2016
	£	£
Net movement in funds	(100,122)	620,835
Add back depreciation charge	1,637	3,453
Deduct interest income shown in investing activities	(30)	(217)
Decrease (increase) in debtors	51,939	(67,974)
Increase (decrease) in creditors	(26,910)	14,527
	<hr/>	<hr/>
Net cash used in operating activities	(73,486)	570,624

# Acknowledgements

AfriKids gratefully acknowledges each of the individuals and organisations who supported our work in 2017, with special thanks to:

## **Patrons and Trustees (including retirees and new appointments in the period)**

Baroness Lynda Chalker of  
Wallasey (Patron)  
Dr Gunther Faber (Patron)  
Duncan Spencer (Chair)  
Frances Cleland Bones  
Georgie Fienberg  
Jacqueline Moller Larsen  
Jason Haines  
John Hickman  
Martin Ott  
Vedrana B. Riley

## **Ambassadors**

Ali Tovey  
Alistair Turner  
Carole Cohen  
Dave Brown  
Diane Mackie  
Emma Watkins  
Fred Cohen  
Graham Hodgkin  
James Ball  
Jane Howard  
Jim and Tessa Rice  
Jo Coles  
Kate Cavelle  
Laura Parrett  
Lissa Golaszewska  
Nick Lawson  
Nina Spencer  
Patrick and Paula Grossman  
Paul Hill  
Paul Leonard  
Sam Witney  
Simon Wooller  
Sir Paul and Lady Ruddock  
Stuart and Erica Peters  
Stuart Roden  
Sir Trevor Pears  
Vidya Naidu

## **Individuals**

Adam Glinsman  
Adam Middleton  
Andy Wallin  
Catherine Husted  
Dax Patel  
Duncan Spencer  
Ed Sheridan and family  
Emily Barker  
Frances Cleland Bones  
Georgie Fienberg  
Jan Scibor-Kaminski  
Jason Haines  
Jim Rice  
John and Catherine  
Hickman  
John Kemp  
John Richards  
John Ward  
John Worth  
Jude Saldanha  
Katherine and Ben Bond  
Martin Head  
Matthias Russwurm  
Nick and Lisa Kent  
Nina Spencer  
Paul & Diana Leonard  
Peter Evans  
Richard Buxton  
Rob Brittain  
Sheryl Baker  
Steve Johnson  
Steve Maddock  
Susan Corby  
The Wright Family  
Tim Conduit  
Zoe Mayson

## **Community Fundraisers**

Ashley Lewis  
Bob Chaundy  
Carrie Evans  
Clive Nyawo  
Gabi Matthews

Jason and Tanya Haines  
Langley Grammar School  
Let's Read  
Richard and Gemma  
Newman  
Sally Vivyan  
Simon Wooller  
Stephen Marchant  
Tonia Nee and Luca  
Filattiera

## **Institutions, Trusts & Foundations**

Aberdeen Asset  
Management Charitable  
Foundation  
Allan and Nesta Ferguson  
Charitable Trust  
Angus Lawson Memorial  
Trust  
City & Guilds Group  
Comic Relief  
Department for  
International Development/  
UK Aid Direct  
Medicor Foundation  
People's Postcode Lottery  
Sir Ernest Cassel Educational  
Trust  
St. James's Place Foundation  
The Chalk Cliff Trust  
The Pears Foundation  
The Vitol Group

## **Corporate Partners**

Alquity Investment  
Management Limited  
Chameleon  
Communications Ltd  
CITAC Africa Ltd  
Frances Lindsay & Co  
Friends of AfriKids, USA  
Nasarius Switzerland GmbH

## **Pro Bono and Gifts in Kind**

Aimia Inc.  
Beyond Me and the Sky  
High EY Team  
Georgie Fienberg  
Jim Middleton  
White & Case LLP

## **Friends of AfriKids USA Board**

Fiona Humphrey  
Joe Stefano  
Megan Morgan

## Special thanks to our key partners in 2017



THE WOLFSON FOUNDATION



