

KRIZEVAC PROJECT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

KRIZEVAC PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A J Smith Miss J M Smith V K Owen D Haworth
Charity number	1115608
Principal address	Atlas Works Paragon Road Longton Stoke on Trent ST3 1NR
Auditor	Price Pearson Finch House 28 - 30 Wolverhampton Street Dudley West Midlands DY1 1DB
Bankers	HSBC Bank Plc Coventry DSC Harry Weston Road Binley Coventry CV3 2TQ First Merchant Bank Livingstone Towers Glyn Jones Road Private Bag 122 Blantyre Malawi

KRIZEVAC PROJECT

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KRIZEVAC PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

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

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 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 2019).

The charity is known as Krizevac Project and is registered with the Charities Commission No. 1115608. It is not known by any other name. The address of the principal office is Atlas Works, Paragon Road, Longton, Stoke-on-Trent, ST3 1NR.

The legal and administrative information forms part of this report.

Objectives and activities

Purposes of the charity set out in the governing document

Krizevac Project is a UK charitable trust, constituted as an unincorporated association under a Declaration of Trust, dated 20 July 2006 which sets out the Charity's purposes: "The promotion of religious harmony, the relief of poverty, sickness and unemployment and the advancement of education."

Aims

Krizevac Project aims to transform some of the world's most needy communities. This transformation starts with building a cross and "Way of The Cross" on a mountain. It then extends to the building of churches, community buildings and schools. Sustainability is achieved through the establishment of small businesses for the benefit of local communities. The surplus from these and related UK businesses are subsequently used in the promotion of any movement to alleviate endemic poverty. In 2018, an additional charitable object was agreed by trustees, this was the promotion of re-use, re-cycling and up-cycling of waste materials.

KRIZEVAC PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Strategy for achieving aims

During the year, the trustees agreed the following updated mission statement:

The Krizevac Project aims to transform some of the poorest parts of the world.

Each project area begins in an area of need by placing a cross on a mountain, a replica of the Krizevac cross overlooking the village of Medjugorje. This has inspired community transformation in these areas, founded on personal sacrifice and public service, PSPS.

The charity has erected Krizevac crosses in Malawi, Rwanda and Nigeria and now responds to needs in local communities by constructing quality buildings, providing essential equipment and skilled volunteers. The charity also creates new enterprises to enable self-sustaining employment in these areas of need. This also provides lasting income to fund education and family support services.

Our vision is that there will be at least 15 Krizevac mountains, each in a different country of Africa by 2033. The communities beside these Krizevac mountains will be transformed from areas of deprivation to prosperity. Each Krizevac cross will be the epicentre of lasting, positive, enterprising change which will spread from this point to an ever-increasing area. Krizevac communities will become, like the village of Medjugorje, a well spring of deep peace and inspiration for those who visit and live there.

Activities Summary

In 2019 the following priorities were acted upon, and in choosing these activities, the trustees had regard for the Charity Commission's guidance on public benefit:

Grants

Continued construction of the Beehive campus, eventually to become "Mary, Queen of Peace Catholic Campus" in Malawi. Asset investment for Beehive Centre for Social Enterprise, Malawi, as well as school feeding in Malawi and agricultural endeavour in Nigeria.

Recycling and Ethical Trading

Growth of charitable trading of recycled goods made in Malawi, through Cycle of Good in the UK. This primary purpose trading embeds beneficiaries and trainees in the process of providing quality services and goods made from recycled materials.

Capacity Building of Beneficiary Enterprises

Support for monitoring, evaluation and governance of the Beehive Centre for Social Enterprise in Malawi.

KRIZEVAC PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements and performance

Grant-Funded Buildings

More than 300 workers are employed in the Beehive construction team in Malawi, funded through Krizevac Project grants. Under the professional guidance of Julianne Cassidy as the volunteer project architect in Malawi, 2019 saw the completion of an amazing school hall: <https://www.krizevac.org/construction-case-studies/beehive-hall/>. Toby Savage, a UK volunteer, completed the structural designs for this building, and the primary school, while Zedi Nyrenda once again volunteered his excellent geotechnical engineering advice.

Additionally, with the support of qualified architect Niki Sole, work was begun on a substantial new primary school: <https://www.krizevac.org/construction-case-studies/st-kizito-primary-school/>.

Named after the Ugandan Martyr, St Kizito, the primary school facility will initially also house the Carlo Acutis Catholic High school, both of which are targeted for opening in October 2021.

These fine buildings will eventually form part of the "Mary, Queen of Peace Catholic Campus for Lifelong Learning". The campus will provide education for children from the age of six months to adulthood, with some places reserved for children from the most needy families and will comprise of:

- | | |
|--|---------------|
| • Mother Teresa Catholic Nursery School | - Completed |
| • St Kizito Catholic Primary School | - In progress |
| • Carlo Acutis Catholic High School | - Planned |
| • John Paul II Leadership and IT Institute | - Completed |
| • Teacher Training (may fall under JP II LITI) | - Planned |
| • Mother Teresa outreach & family support | - Completed |

Grants for Seibo School Feeding

In 2019, grants totalling £247,607 were given to the non profit organisation, Seibo, in Japan which in turn fed over 14,000 children with a daily school meal in primary schools in the north of Malawi and others in childcare settings in Blantyre. This represents an increase of £74,256 or 43% over the previous year. Declan Somers who has been instrumental in the growth and management of Seibo Japan relocated to Poland and continues his excellent oversight of Seibo from there, as well as being a Development Director of Mobell Communications Limited, the principal donor to Krizevac Project.

Grant for Nigeria - Grant funding to Father Danjuma's agricultural project doubled in 2019 with £12,539 given through the Catholic diocese of Maiduguri in Nigeria. This enabled more farmers in need to begin an agricultural extension project in the area nearby to the cross there. Local selection of beneficiary farmers has proven successful in identifying the most needy. Krizevac Project Trustee, David Haworth is directing this important project which aims, though providing agricultural jobs, ultimately to bring peace to an area beset with terrorism.

Recycling

In 2019, the following was recycled and mostly shipped for use in Malawi in 17 forty-foot containers:

- Over 20,000 bicycle inner tubes
- 16 pallets of lorry curtain siding
- 28 pallets of coffee sacks
- Several tonnes of books and sewing machines
- Over 53,000 second hand bicycles including approximately 500 ex-Royal Mail Postal bikes.

An organisational audit was conducted of single use plastic in the UK offices and warehouse and the charity committed to eliminating this, as far as possible. The audit revealed that we created approximately 49 cubic meters of non-recyclable waste during the year which is an area to be reviewed.

KRIZEVAC PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Ethical Trading

2019 saw the growth of the UK team which was responsible for the record financial results: The following new UK Staff appointments were made:

- Digital Marketing Manager
- Business Manager
- Customer Service Assistant
- Inventory and Warehouse Assistant
- 2 x Bike Mechanics
- Acting Workshop Manager
- Finance Manager (started Jan 2020)
- One employee successfully completed level 2 apprenticeship and was recruited on to degree apprenticeship.
- One employee successfully completed level 2 apprenticeship and was offered permanent employment as Laser Engraver.

Beehive Digital

To make best use of the IT infrastructure and skills built in Malawi's Beehive, a new enterprise was launched called Beehive Digital, initially focussed on the creation of Wordpress websites for UK companies. A team of four was appointed in Malawi, expanding the existing team of 6 software engineers in BeeTech, and these were complemented by a team of four in the UK. Sales were slow and implementation problematic so with the onset of Coronavirus, the UK side of this enterprise was mothballed in the first half of 2020.

Cycle of Good

Trustees are immensely grateful to Halfords who donated over 50,000 second-hand bicycles and we are grateful also to our own Operations Manager, who enthusiastically managed the complex logistics to make best use of all of these. Many of the bikes were transported to Malawi, and others sold, achieving an unexpectedly high income of £265,108.

The charity continued to work with Dovegate prison to provide meaningful work to inmates there in the recycling and refurbishment of the ex-Royal Mail bikes. The "buy one, give one" model continues to be popular and at the current, profitable rate of sales there is a further three or four years of stock remaining. The quality and quantity of sold Elephant Bikes increased compared to the previous year.

With the arrival of our digital marketing manager this year, retail sales of recycled items on the website grew. Additionally, the new business manager focussed on B2B sales and grew a new wholesale channel comprising over 100 shops in the UK. These sales currently support a team of 20 women employed in Cycle of Good Malawi, all of whom were previously unemployed trainees and who work daily to turn rubbish into items of value.

Capacity Building in Malawi

Beehive

Capably led by Peter Nkata as its Managing Director, the Beehive Centre for Social Enterprise, established by Krizevac Project in 2007, employed 387 people with an additional 18 apprentices employed on the "earn and learn" Beetech scheme. Enterprises generated a local turnover of approximately £1.3million, significantly below previous year's total of £1.6million owing to the political, and economic fallout from election failure in Malawi. Carried forward profits of £150,000 sustained operations in this difficult year which did not position it well for the onset of coronavirus in 2020.

Good financial husbandry

By Easter 2019, Steve and Helen Rowley completed their contract as job-share Country Director for Krizevac Project in Malawi, with Steve supporting finance & HR and Helen ensuring 43 members of staff completed Management Development Training. Additional financial work with the Malawi team was later supported for six months by Stephanie Allen, a UK Management accountant who did an excellent job of driving the importance of cash flow analysis at a precarious time financially in Malawi.

KRIZEVAC PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

A full-time finance manager, was recruited in the UK to manage the UK charity finances and strengthen international beneficiary financial systems.

Beehive Malawi's main source of income continues to be Torrent Plant Vehicle Hire but the failure of the government to set a budget until November impacted road building and the construction sector substantially. 252 tailoring students completed their studies in 2019 while in JPIL LITI, a total 796 students studied IT and leadership; 267 students sat exams and pass rates varied between 80%-100% A new course on Solar power was launched. The BeeTech enterprise scanning and archiving documents for banks grew to provide 64 jobs generating over £100,000 income, though, by the end of the year, 18 "earn/learn" interns remained.

St Kizito Catholic Primary School

Volunteer, Maureen O'Leary, employed by the Birmingham archdiocese Education team, provided advisory support on the new schools management through her visit to Malawi in 2019. A plan for the new primary and secondary schools was initiated and some key roles for governance and staffing mapped.

Mother Theresa Children's Centre

Over 15,000 children and parents this year, many of whom attend holiday, sports or library sessions, approximately 6,000 parents and children had more intensive support eg. Attending young carers, or Special Educational Needs or literacy classes. 131 children attended daycare (71 fully sponsored).

An Ofsted-style Inspection was commissioned and completed by two volunteers, Jude Burgess and Sue Ball. Their report produced an assessment of overall good (excellent for outreach) but needing improvement especially in Management and Leadership and Day Care standards.

OFSTED Report Summary

"MTCC has a clear vision for the outcomes it aims to see for the children and families of Chilomoni – one that is shared by staff and stakeholders alike. Whilst little data and written evidence of impact exists currently, the range of activities undertaken during the visit provided sufficient evidence to suggest that the centre is making good progress in achieving its overall aims and objectives.

Key partners are extremely positive about the impact they have seen since it opened and provided much anecdotal evidence of improvements made to the life chances of local residents.

Effective systems and processes are in place to identify and reach the most vulnerable children and families, and the Outreach teams respond compassionately to meet identified needs with the limited available resources. The needs of children accessing day-care are being met well with some evidence of good development. However, children would benefit greatly if their progress was tracked closely. Already good staff practice would be enhanced greatly by additional support and training.

The management team are keen to develop and move the centre forward with appropriate support and guidance, utilising the skills/knowledge acquired through the Management Development programme."

As a result of this report, Krizevac developed an improvement action plan and invested time in supporting the MTCC management team to implement the report recommendations. This included a planned investment in building work needed to maintain a quality environment for children. Krizevac additionally employed a Malawian based Monitoring and Evaluation Trainer, Jeremy Macias who assisted the team to develop a log-frame monitoring system, a Malawian Monitoring Officer was subsequently employed to manage this system following training.

A fourth cohort of trainees completed their Diploma in Early Years care and Education, successfully delivered by UK volunteer Carrie Johnson. Carrie also trained a member of the Malawi team to become a trainer of a Certificate of Early Years Care, this six-week course is delivered to any local Chilomoni pre-school practitioner and has the potential to positively impact on the lives of thousands of local children.

KRIZEVAC PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Financial review

Income

A total of £2,404,768 income was received in 2019, representing an increase of 20% over the previous year total of £2,009,612. The accounts show the charity held over £1million as a cash balance at the end of the year. This was subsequently all transferred as grants to Malawi and not used as investment or reserves. The healthy cash position at the start of 2020 meant that grant giving was maintained as the profound effects of coronavirus were felt at the start of 2020, giving resilience to our continuing primary school construction and the Beehive Centre for Social Enterprise.

Donations

In 2019, Mobell Communications Limited contributed 99% of donations and 77% of all income, an amount totalling £1,859,135. A further £21,806 donations were received of which £1,287 were restricted donations from individuals sponsoring children in Mother Teresa Children's Centre under the "Give a Child a Chance" scheme. In total, donations were up 5% on the previous year.

Trading Income

Trading income reached a record £464,414 (19% of total income), an increase of 177% on 2018, largely because bikes donated from Halfords which raised £265,108 through international sales (others were donated to Malawi). Elephant Bike sales were also up 14% on the previous year, at £124,108 and Cycle of Good sales of recycled items from Malawi more than tripled to £75,129. Other income comprised of £60,700 rental of investment property.

Expenditure

£2,061,319 was spent in 2019, an increase of £598,118 (41%) over the previous year. Of this, the charitable expenditure was £1,656,596, an increase of £483,482 (again, 41%) over 2018. Thus the cost of running the charity, (salaries, overheads, fixing Elephant Bikes and charitable trading) was £404,723 or 19% of total expenditure.

The cost of raising funds increased over the previous year, mostly through the increased direct costs of fixing Elephant Bikes and more online advertising, but, as a proportion of trading income, the direct costs of trading decreased from 43% in 2018 to 22% in 2019, again because of the efficiencies through high volume sales of Halfords Bikes.

The majority of charity expenditure, a total of £1,642,398 was spent in Malawi or on equipment destined for Malawi. Grants totalling £247,607 were given for school feeding through the Japanese charity, Seibo, and further grants of £706,612 for the completion of the school hall construction, support for Cycle of Good and equipping Beehive Centre for Social Enterprise.

Grants were also awarded to an individual in the Catholic Archdiocese of Kigali (£897) and an agricultural project funded in the Catholic Archdiocese of Maiduguri (£13,301).

An additional £39,237 was spent on further refurbishment of the Longton premises and £130,000 used to purchase a house in Longton with project use in mind. In the event, this house has been rented out to provide additional income.

Reserves Policy

With the impact of coronavirus on donor businesses and growing level of internal charitable trading, a reserves policy will be determined which follows the Charities Commission guidance and is less dependent on the underwriting of the Radmore group of companies.

KRIZEVAC PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Risk Management

The trustees review risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified.

A legal challenge continues relating to one of the seven plots of land bought by Krizevac Project (Malawi) where it is hoped that there will eventually be a commercial campus. To mitigate the risk, all construction work on the site has been stopped until a resolution has been found.

Beehive's financial systems are still in need of support and would otherwise present significant risk. Krizevac Project continued to strengthen the financial systems and staff with expert external accounting help. Particular support was needed with the Malawi Revenue Authority to maximise non-profit status.

The broadening of the income portfolio continues successfully through Cycle of Good trading, reducing risks owing to the charity's heavy dependence on the two businesses of Mobell Communication and Paragon. The distinctive way the Krizevac Project has been funded through business and trading endures.

Plans for future periods

This report is written in the middle of a year which subject to unprecedented change and uncertainty. The charity reaction to the profound effect of coronavirus has been to reduce staff and costs in the UK while continuing grant giving. Thanks to the relative continued success of Mobell Communications as the principal donor the following is being pursued:

- investment in machinery for Torrent Plant and Vehicle Hire
- construction of St Kizito Primary School.
- cessation of Beehive Digital in the UK
- reduction of UK admin and marketing staff in favour of out-sourcing work to Mobell Communications Ltd.
- consolidation of Elephant Bike efforts

Further Crosses on additional Mountains in Africa - Capably led in this by David Haworth, trustees worked to establish the feasibility of crosses in other African countries including Sierra Leone, Zambia, Mozambique, Kenya, the DRC and Cameroon.

KRIZEVAC PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Structure, governance and management

Organisation

Krizevac Project is a charitable trust, governed by its trustees who are appointed or reappointed by unanimous agreement among existing trustees. The charity is immensely grateful to David Haworth for his work on our Nigeria agriculture work in the year. Trustees give their time voluntarily and receive no benefits from the charity for their work as trustees. Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

During the year it was agreed to register as a Charitable Incorporated Organisation.

As a small organisation, Krizevac Project trustees are also active in the day-to-day management of the charity and related organisations and some have made several visits this year to all of the charity's activities. Trustees ensure appropriate support for the charity's IT, HR, financial reporting and management from Radmore Management Limited (owned by the trustees) which employs Vincent Owen who was seconded part time as Krizevac Project Managing Director to oversee the charity. An additional team of employed, UK-based staff, professionally led by the UK Manager and her deputy. Oversight of the significant activity and expenditure in Malawi has been achieved through the continuing support of volunteers.

Policies reviewed in 2019

Safeguarding (plus training undertaken by Trustees and the UK Manager).

Environment Management.

Procurement (Including the adoption of the Ethical Base Code).

The trustees who served during the year and up to the date of signature of the financial statements were:

A J Smith

Miss J M Smith

V K Owen

D Haworth

V K Owen was reappointed for a further 3 years on 29 August 2019.

The property title for the Longton factory is held in the names of A.J. Smith, J.M. Smith and V.K. Owen; no disclosure exemptions have been claimed and the trustees are not acting as custodians.

Related Organisations

Beehive Centre for Social Enterprise (Beehive) has been the charity's major beneficiary and this is constituted as a non-profit company, registered by guarantee in Malawi, with objectives common to Krizevac Project. The Krizevac Project Chairman is also chairman of the board of 9 directors of Beehive, three of whom are also employees of Krizevac Project.

Krizevac Project (Malawi), is also registered as a nonprofit company in Malawi, limited by guarantee, with the same objectives. This is an autonomous entity, not a subsidiary, which owns property in Malawi, has no employees or contracts for services, and has been used to disburse charity funds and to maximise benefit of Krizevac Project donations through short term, in country investments. Two of the Krizevac Project (Malawi) trustees are also Trustees of Krizevac Project (UK) and a further two are Malawian nationals.

This year Krizevac Project further supported the growth of a Non-Profit Organisation in Japan, Seibo Maria, to feed hungry children, beginning in Malawi. The creation of a further organisation under the same name, was also supported in Malawi.

KRIZEVAC PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of trustees' responsibilities

The trustees 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).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity for that year.

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

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

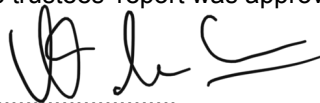
Auditor

The auditor, Price Pearson, is deemed to be reappointed.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



.....
V K Owen

Trustee

Dated: 29.10.20

KRIZEVAC PROJECT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF KRIZEVAC PROJECT

Opinion

We have audited the financial statements of Krizevac Project (the 'Charity') for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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 Charity'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 auditor's report 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

KRIZEVAC PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF KRIZEVAC PROJECT

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 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 directors 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 Charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

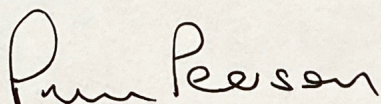
This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2016.

KRIZEVAC PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF KRIZEVAC PROJECT

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



30/10/2020.

Christopher Cooper FCA FCCA (Senior Statutory Auditor)
for and on behalf of Price Pearson

Chartered Accountants
Statutory Auditor

Finch House
28 - 30 Wolverhampton Street
Dudley
West Midlands
DY1 1DB

Price Pearson is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

KRIZEVAC PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<u>Income and endowments from:</u>					
Donations and legacies	3	1,879,654	1,287	1,880,941	1,782,988
Other trading activities	4	464,414	-	464,414	167,600
Other income	5	60,700	-	60,700	59,024
Total income		2,404,768	1,287	2,406,055	2,009,612
<u>Expenditure on:</u>					
Raising funds	6	104,590	-	104,590	73,783
Charitable activities	7	1,656,596	-	1,656,596	1,173,114
Support & governance	9	300,133	-	300,133	216,304
Total resources expended		2,061,319	-	2,061,319	1,463,201
Net income for the year/ Net movement in funds		343,449	1,287	344,736	546,411
Fund balances at 1 January 2019		1,652,271	2,111	1,654,382	1,107,971
Fund balances at 31 December 2019		1,995,720	3,398	1,999,118	1,654,382

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

All income and expenditure derive from continuing activities.

KRIZEVAC PROJECT

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12	489,664		513,746	
Investment properties	13	423,750		293,750	
		<u>913,414</u>		<u>807,496</u>	
Current assets					
Debtors	15	67,870		39,405	
Cash at bank and in hand		1,071,102		873,711	
		<u>1,138,972</u>		<u>913,116</u>	
Creditors: amounts falling due within one year	16	(53,268)		(66,230)	
Net current assets		<u>1,085,704</u>		<u>846,886</u>	
Total assets less current liabilities		<u>1,999,118</u>		<u>1,654,382</u>	
Income funds					
Restricted funds	17	3,398		2,111	
Unrestricted funds		1,995,720		1,652,271	
		<u>1,999,118</u>		<u>1,654,382</u>	

The accounts were approved by the Trustees on 28.10.20



V K Owen
Trustee

KRIZEVAC PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	1		366,628		566,772
Investing activities					
Purchase of tangible fixed assets		(39,237)		(123,663)	
Purchase of investment property		(130,000)		-	
Net cash used in investing activities			(169,237)		(123,663)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			197,391		443,109
Cash and cash equivalents at beginning of year			873,711		430,602
Cash and cash equivalents at end of year			1,071,102		873,711

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1	Cash generated from operations	2019 £	2018 £
	Surplus for the year	344,736	546,411
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	63,319	42,299
	Movements in working capital:		
	(Increase) in debtors	(28,465)	(16,611)
	(Decrease) in creditors	(12,962)	(5,327)
	Cash generated from operations	366,628	566,772

2 Accounting policies

Charity information

Krizevac Project is constituted as an unincorporated charitable trust under a Declaration of Trust dated 25 June 2006.

2.1 Accounting convention

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

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

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

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Accounting policies

(Continued)

2.4 Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from trading activities is recognised when the significant risks and rewards of ownership are transferred to the buyer.

Other income is accounted for on a receivable basis.

2.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities include grants made in accordance with the terms of the trust deed.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings improvements	25% p.a. straight line basis
Fixtures, fittings & equipment	25% p.a. straight line basis
Motor vehicles	25% p.a. straight line basis

Freehold land is not depreciated.

Freehold buildings have a residual value at least equal to the value in the accounts and are therefore not depreciated. This is reviewed on an annual basis to ensure no impairment is required.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Accounting policies

(Continued)

2.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

2.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.9 Cash and cash equivalents

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

2.10 Financial instruments

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

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

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

Basic financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

2.11 Taxation

The charity is exempt from tax on its charitable activities.

2.12 Employee benefits

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

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

2.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.14 Foreign exchange

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

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and gifts	1,879,654	1,287	1,880,941	1,782,988
For the year ended 31 December 2018	1,781,828	1,160		1,782,988

4 Other trading activities

	2019 £	2018 £
Revenue from sales	265,108	33,560
Elephant bike sales	124,177	109,986
Cycle of goods sales	75,129	24,054
	464,414	167,600

All income from trading activities relates to unrestricted funds.

5 Other income

	2019 £	2018 £
Other income	60,700	59,024

All other income relates to unrestricted funds.

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

6 Raising funds

	2019	2018
	£	£
<u>Fundraising and publicity</u>		
Advertising	21,603	16,227
<u>Trading costs</u>		
Elephant bike costs	47,976	38,690
Cycle of goods costs	18,549	7,555
Postage	16,462	11,311
	<u>104,590</u>	<u>73,783</u>

All expenditure in respect of raising funds relates to unrestricted funds for both 2019 and 2018.

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

7 Charitable activities

	Malawi	Rwanda	Seibo	Nigeria	Total 2019	Total 2018
	2019 £	2019 £	2019 £	2019 £	£	£
Staff costs	117,267	-	-	-	117,267	110,827
Charitable expenditure	436,876	-	-	-	436,876	567,839
Shipping - exports	115,718	-	-	-	115,718	65,152
Transport costs (collections)	72	-	-	-	72	504
Rent	7,236	-	-	-	7,236	7,236
Volunteer expenses	11,010	-	-	-	11,010	25,117
Legal fees	-	-	-	-	-	13,543
	688,179	-	-	-	688,179	790,218
Grant funding of activities (see note 8)	706,612	897	247,607	13,301	968,417	382,896
	1,394,791	897	247,607	13,301	1,656,596	1,173,114
Analysis by fund						
Unrestricted funds	1,394,791	897	247,607	13,301	1,656,596	1,172,241
Restricted funds	-	-	-	-	-	873
For the year ended 31 December 2018						
Unrestricted funds	992,345	455	173,351	6,090		1,172,241
Restricted funds	873	-	-	-		873
	993,218	455	173,351	6,090		1,173,114

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

8 Grants payable

	Malawi £	Rwanda £	Seibo £	Nigeria £	Total £	2018 £
Grants to institutions (15 grants):						
Construction and provision of services	706,612	-	-	-	706,612	200,000
School meals	-	-	247,607	-	247,607	173,351
Stations of the cross	-	-	-	12,539	12,539	5,303
	<u>706,612</u>	<u>-</u>	<u>247,607</u>	<u>12,539</u>	<u>966,758</u>	<u>378,654</u>
Grants to individuals (2 grants)	-	897	-	762	1,659	4,242
	<u>706,612</u>	<u>897</u>	<u>247,607</u>	<u>13,301</u>	<u>968,417</u>	<u>382,896</u>

9 Support costs

	Support costs £	Governance costs £	2019 £	2018 £	Basis of allocation
Staff costs	159,629	-	159,629	102,737	Staff time
Depreciation	63,319	-	63,319	42,299	Actual
Exchange gains	2,121	-	2,121	(843)	Actual
Business rates	6,093	-	6,093	2,650	Actual
General insurance	5,072	-	5,072	1,602	Actual
Utilities	21,631	-	21,631	17,264	Actual
Motor running costs	5,104	-	5,104	4,878	Actual
Telecommunications	139	-	139	317	Estimated
Printing, postage & stationery	4,315	-	4,315	1,809	Actual
Sundry expenses	5,524	-	5,524	4,713	Actual
Repairs & maintenance	7,667	-	7,667	13,352	Actual
Legal & professional fees	5,614	-	5,614	12,416	Actual
Recruitment	2,836	-	2,836	983	Actual
Travel expenses	5,567	-	5,567	6,767	Actual
Bank charges	702	-	702	560	Actual
Audit fees	-	4,800	4,800	4,800	Governance
	<u>295,333</u>	<u>4,800</u>	<u>300,133</u>	<u>216,304</u>	

All expenditure in respect of support costs relate to unrestricted funds for both 2019 and 2018.

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the period, but 2 of them were reimbursed a total of £1,966 travelling expenses (2018 - £2,930).

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Administration	14	11
Drivers	2	2
	<hr/> 16	<hr/> 13
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2019 £	2018 £
Wages and salaries	260,666	198,183
Social security costs	11,172	11,172
Other pension costs	5,058	4,209
	<hr/> 276,896	<hr/> 213,564
	<hr/> <hr/>	<hr/> <hr/>

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

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

12 Tangible fixed assets

	Land and buildings improvements £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2019	553,176	19,707	12,720	585,603
Additions	27,399	11,838	-	39,237
At 31 December 2019	580,575	31,545	12,720	624,840
Depreciation and impairment				
At 1 January 2019	49,577	9,560	12,720	71,857
Depreciation charged in the year	58,930	4,389	-	63,319
At 31 December 2019	108,507	13,949	12,720	135,176
Carrying amount				
At 31 December 2019	472,068	17,596	-	489,664
At 31 December 2018	503,599	10,147	-	513,746

13 Investment property

	2019 £
Fair value	
At 1 January 2019	293,750
Additions through external acquisition	130,000
At 31 December 2019	423,750

The investment properties were valued at 31 December 2019 by the directors at £423,750.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

14 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	72,941	25,565
Carrying amount of financial liabilities		
Measured at amortised cost	47,969	61,274

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

15 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	28,741	6,272
Other debtors	35,799	28,421
Prepayments and accrued income	3,330	4,712
	<u>67,870</u>	<u>39,405</u>

16 Creditors: amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	5,299	4,956
Trade creditors	36,923	37,883
Other creditors	5,046	17,391
Accruals and deferred income	6,000	6,000
	<u>53,268</u>	<u>66,230</u>

17 Restricted funds

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

	Balance at 1 January 2019 £	Movement in funds Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted funds:	1,652,271	2,404,768	(2,052,918)	2,004,121
Restricted funds:				
Give a Child a Chance Campaign	1,931	1,287	-	3,218
Seibo Maze	180	-	-	180
	<u>1,654,382</u>	<u>2,406,055</u>	<u>(2,052,918)</u>	<u>2,007,519</u>

Give a Child a Chance Campaign

Sponsorship of children's places in Mother Teresa Children's Centre for orphans and vulnerable children.

Seibo Maze

Sponsorship of Seibo Japan which has the aim of providing every child in the world a hot meal at school in order for them to focus on learning.

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

18 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2019 are represented by:			
Tangible assets	489,664	-	489,664
Investment properties	423,750	-	423,750
Current assets	1,082,306	3,398	1,085,704
	<u>1,995,720</u>	<u>3,398</u>	<u>1,999,118</u>

19 Operating lease commitments

The operating leases represent a lease to a third party. The lease is negotiated over a term of 6 years and rentals are fixed until the 1 January 2020 and renewed every second anniversary of that date. A Tenants Break clause is included as at the 1 January 2021. The tenant must give at least 6 months notice before the break date.

At the reporting end date the Charity had contracted with tenants for the following minimum lease payments:

	2019 £	2018 £
Within one year	59,950	59,950
Between two and five years	179,850	239,800
	<u>239,800</u>	<u>299,750</u>

KRIZEVAC PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

20 Related party transactions

A J Smith and Miss J M Smith control Radmore Management Limited, which in turn controls Mobell Communications Limited and Paragon Projection Limited. During the year, the charity received donations of £1,859,135 (2018: £1,040,159) from Mobell Communications Limited and £Nil (2018: £730,000) from Paragon Projection Limited.

A J Smith is a director and owns 50% of the share capital in British Desiccant Drying Limited. During the year, the charity received donations of £15,000 (2018 : £Nil) from British Desiccant Drying Limited.

The charity paid out grants in 2019 to Beehive Centre For Social Enterprise of £706,612 (2018 : £200,000) ; A J Smith and V K Owen are directors of the non-profit Association, Beehive Centre for Social Enterprise.

Also during the year the charity paid grants to the Japanese-registered non-profit organisation, Seibo of £247,607 (2018 : £173,351), A J Smith and V K Owen are trustees of Seibo.

During the year, the charity sold a number of products to a relative of A J Smith and V K Owen company "The Saltworks Trading Company Limited" for a total of £189,950.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	40,105	38,267