

Charity Registration No. 1097267

Company Registration No. 4686283 (England and Wales)

GREAT LAKES OUTREACH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

GREAT LAKES OUTREACH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Robert Sturgess Stephen White Paul Smith Charlotte Hutchinson Gavin Howard Mark Hopper Justin Hill
Secretary	Leonard Esterhuizen
Charity number	1097267
Company number	4686283
Registered office	1st Floor, Tower House Latimer Park Chesham Bucks HP5 1TU
Auditor	Summers Morgan First Floor, Sheraton House Lower Road Chorleywood Hertfordshire WD3 5LH
Bankers	Banque de Credit de Bujumbura Avenue Patrice Lumumba Bujumbura Burundi National Westminster Plc 63 High Street Burnham Slough SL1 7JU
Solicitors	Lawson Lewis & Co, 37 Brassey Avenue Hampden Park Eastbourne BN22 9QD

GREAT LAKES OUTREACH

CONTENTS

	Page
Trustees' report	1 - 5
Statement of Trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10 - 11
Balance sheet	12 - 13
Statement of cash flows	14
Notes to the financial statements	15 - 27

GREAT LAKES OUTREACH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees, who are directors of the charity for the purpose of company law present their report, including strategic report and accounts 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 Charities Act 2011, the Companies Act 2006, the Charity's 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 the Republic of Ireland (FRS 102) (effective 1 January 2019).

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees have ensured that the Charity is fully compliant with the requirements of the Charity Commission, and in particular that:

- the Charity prepares regular reports on what it has achieved, and annual returns and accounts;
- the Charity does not breach any of the requirements or rules set out in its governing documents and its charitable purpose and objects;
- the Charity complies with the requirements of other legislation and other regulators (if any) which govern the activities of the Charity;
- the Charity complies with the duty within section 175 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission in relation to a public benefit statement; and
- the Trustees act with integrity, and avoid any personal conflicts of interest or misuse of charity funds or assets.

In addition, the Trustees have ensured their responsibilities in key areas:

- ensuring that the Charity is and will remain solvent;
- ensuring that the charitable funds and assets are used reasonably, and only in furtherance of the Charity's objects;
- avoiding undertaking activities that might place the Charity's funds, assets or reputation at undue risk; and
- taking special care when investing the funds of the Charity, or borrowing funds for the Charity to use.

The Trustees have taken reasonable care and skill in their works as Trustees, using their personal skills and experience as needed to ensure that the Charity is well-run and efficient.

In all relevant cases, for example the construction of the Scripture Union conference centre, the Trustees have considered obtaining external professional advice on all matters where there may be material risk to the Charity, or where the Trustees may be in breach of their duties.

GREAT LAKES OUTREACH

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

FOR THE YEAR ENDED 31 DECEMBER 2019

Objectives and activities

The objects of the Charity are:

- to advance the Christian faith in Burundi and in such other parts of the world as the Trustees may from time to time think fit;
- to relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress caused thereby in the said location and in such other parts of the world as the Trustees may from time to time think fit; and
- to advance education in accordance with Christian principles by such means as the Trustees may consider appropriate.

Through the achievement of these objectives the Charity delivers public benefit through lives being changed for good in spiritual, moral, ethical and practical ways and through the relief and prevention of poverty.

To achieve this, Great Lakes Outreach supports a number of partners and organisations structured to spread the Christian gospel, while providing practical support to youth, university students, street children, orphans and others.

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

The Trustees meet regularly to review the performance of the Charity. At these meetings the Trustees set strategy, assess its risks and review policies and procedures.

The Charity undertakes social investments in the form of programme related investments. These are concessionary loans made to partners in Burundi to enable organisations or people to complete projects that are in line with those of the Charity.

Under the memorandum of association, the Charity has the power to make any investment which the Trustees see fit; generally the Charity invests its cash resources in liquid investments that cannot go up or down in value.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and performance

The Charity continued its support of key Christian evangelistic ministries in the Great Lakes region of Central Africa. Grants are paid from restricted funds in accordance with the donor's wishes, as well as unrestricted grants paid in line with the strategy agreed by Trustees and as need arises.

During 2018, Simon Guillebaud and his family left Burundi and have settled in the United Kingdom during 2019. Simon continues to manage the Charity despite not being located in Burundi; he is ably assisted by Onesphore Manirakiza who looks after the Charity's interests in the country.

Partners

The Charity works with a number of partner organisations within Burundi to achieve its charitable objectives.

Antioch Foundation – The Charity provides time-limited funding for salaries of local church pastors who are part of Antioch Foundation's programme; this funding supports them through church-based theological education.

GREAT LAKES OUTREACH

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

FOR THE YEAR ENDED 31 DECEMBER 2019

APRID (Inter religious dialogue) - The Charity has supported initiatives alongside another UK charity, the Barnabas Fund, to equip Burundi Christians to enter into meaningful dialogue with other local based faiths.

Burundi Bio-Agricultural Communities - The Charity supports salaries and the purchase of cows to help in community development.

CIP (Christian Initiatives for Peace) - The Charity supports this entity in its efforts to bring about peace and reconciliation in Burundi.

Evangelism Explosion - The Charity supports this entity in the training of other trainers in Christian evangelism.

Harvest Initiatives - The Charity supports this major and highly impacting initiative of evangelism to reach the population of Burundi.

J-Life - The Charity supports this entity in its efforts to assist widows and orphans out of poverty.

Kick Off to Hope – The Charity provides operational financial support to this entity who use sport as a means to discipleship and peacebuilding, particularly amongst youth and those involved in prostitution.

New Generation - The Charity provides financial support to fund staff salaries and fund reconciliation initiatives.

Partners Trust International (PTI) - The Charity provides funding for salaries and a broad base of activities. PTI eventually acquired land from the government upon which to build a hospital in the coming years. The theological training has been challenged because a lot of it was done in evening classes and the security situation has hampered this. However, its impact remains strategic in engaging with the Church in Burundi, and beyond that in peace-building and equipping of leaders.

Scripture Union - The Charity provides both operational financial support and capital investment funds for key projects. The Scripture Union King's Conference Centre (KCC) is fully operational, and significant building work is continuing on the second and last phase. The main structure is complete and interior fitting out has commenced.

Union Des Groupes Bibliques du Burundi (local branch of UCCF/IFES, formerly Groupe Biblique Universitaire) - The Charity supports various initiatives within Burundi universities.

Youth for Christ - The Charity continues to support initiatives in leadership training, education and medical care.

Our future plans involve continuing careful selection of new partners; supporting Scripture Union's financing of the new conference facilities of KCC phase 2 to start generating revenue and enhancing the communication between our Burundian partners and our donor community.

GREAT LAKES OUTREACH

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

FOR THE YEAR ENDED 31 DECEMBER 2019

Financial review

The Charity's income from donations increased during the year, up from £1,079,749 in 2018 to £1,192,469 in the current year, giving a rise in total income from £1,089,601 in 2018 to £1,203,830. Expenditure increased during the year from £1,029,448 in 2018 to £1,075,998 in the current year. At the end of the year the Charity held total funds of £849,966 (2018: £721,446). This is comprised of restricted funds of £39,499 (2018: £67,966) and unrestricted funds of £810,467 (2018: £653,480). Of unrestricted funds available, £538,013 (2018: £571,576) represent designated funds, leaving available reserves after deduction of fixed assets of £271,429 (2018: £53,480).

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to a minimum of three month's expenditure. The unrestricted reserves increased from £53,480 in 2018 to £271,429 at the year end. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

The Charity's principle income continued to come from donations from individuals and organisations primarily from the UK. The Charity continued to support partner organisations in Burundi through grant funding of Christian charities and individuals in need, thus achieving its objectives of advancing the Christian faith and relieving poverty.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The major risks that they have identified and mitigated are:

Financial Risk

Risk: The Charity has taken on staff and projects that require on-going financial commitments that extend beyond the regular giving that the Charity benefits from.

Mitigation: The Charity has introduced financial reports that are reconciled on a monthly basis and distributed to the Trustees for review. These include reports that clearly demonstrate the funds at hand. The Trustees have a formal reserves policy with a view to ensuring that existing commitments can be met and this is reviewed annually.

Legal Risk

Risk: The Charity sponsors high risk projects.

Mitigation: The Charity has put in place appropriate project management resources and procedures, and financial control measures to ensure that such risk is reduced.

Reputational Risk

Risk: The Charity benefits from a wide range of supporters and donors among whom the reputation of the organisation is critical. There is a risk that a Charity employee could engage in such activities which could be detrimental to the reputation of the Charity.

Mitigation: The reputation of the Charity is defined mostly by the personal reputation of Simon Guillebaud, the public face of the Charity, and it is in his interests to ensure that the Charity maintains a good reputation. Additionally, the Charity is instituting systems to support a greater level of communication with and among its supporter base so that reputation is not tarnished due to an absence of communication.

GREAT LAKES OUTREACH

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

FOR THE YEAR ENDED 31 DECEMBER 2019

Employee Risk

Risk: Members of staff are actively and routinely involved in activities in Central Africa, in countries that are rated as highly dangerous by the British Foreign Office, and could be subject to disease, violence or war.

Mitigation: For employees who are exposed to medium term visits (ie. beyond a few weeks), the Charity provides appropriate insurance to finance and execute remedies, and has an active risk management policy governing a range of scenarios that staff may find themselves in.

Key Staff Risk

Risk: The Charity runs a small team of dedicated supporters and staff; the loss of any these could hamper the Charity's ability to function.

Mitigation: The Charity works in a very open manner so that critical information and processes are shared among a number of people, so that there is no single point of failure.

These risks and mitigation measures have been reviewed and agreed by the Trustees.

Structure, governance and management

The Charity was incorporated as a company limited by guarantee on 4th March 2003 and is governed by its Memorandum and Articles of Association. It is registered as a charity.

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

Robert Sturgess

Stephen White

Paul Smith

Charlotte Hutchinson

Gavin Howard

Mark Hopper

Justin Hill

Trustees are appointed who have a relationship with Great Lakes Outreach and who support its principles and values. They are elected by the members. New Trustees are trained by directing them to the relevant information provided by the Charity Commission, providing guidance on the requirements of their role as well as practical considerations.

Day to day operation of the charity is delegated to Simon Guillebaud, who is considered key management personnel, in addition to the Secretary who manages the day to day administrative operations of the Charity in consultation with the chairman of the Trustees. Trustees consider the levels of remuneration for key management personnel and this is reviewed annually.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.

Paul Smith

Trustee

Dated: 21 December 2020

GREAT LAKES OUTREACH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees, who are also the directors of Great Lakes Outreach for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 adequate 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 Companies Act 2006. 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.

GREAT LAKES OUTREACH

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF GREAT LAKES OUTREACH

Opinion

We have audited the financial statements of Great Lakes Outreach (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 charitable company'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 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 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 has 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.

GREAT LAKES OUTREACH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF GREAT LAKES OUTREACH

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained during the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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, who are also the directors of the Charity for the purpose 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 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 liquidate the charitable company or 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: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi>. This description forms part of our auditor's report.

GREAT LAKES OUTREACH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF GREAT LAKES OUTREACH

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.

Nicholas Corden ACA (Senior Statutory Auditor)
for and on behalf of Summers Morgan

23 December 2020

Chartered Accountants
Statutory Auditor

First Floor, Sheraton House
Lower Road
Chorleywood
Hertfordshire
WD3 5LH

Summers Morgan 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.

GREAT LAKES OUTREACH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

Current financial year

	Notes	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Income from:						
Donations and legacies		961,808	-	230,661	1,192,469	1,079,749
Commercial trading operations	3	9,048	-	-	9,048	7,552
Investments	4	2,313	-	-	2,313	2,300
Total income		973,169	-	230,661	1,203,830	1,089,601
Expenditure on:						
Raising funds	5	13,359	-	-	13,359	14,327
Charitable activities	6	768,741	33,563	260,335	1,062,639	1,015,121
Total resources expended		782,100	33,563	260,335	1,075,998	1,029,448
Net incoming/(outgoing) resources before transfers		191,069	(33,563)	(29,674)	127,832	60,153
Net incoming/(outgoing) resources before transfers		191,069	(33,563)	(29,674)	127,832	60,153
Gross transfers between funds		364	-	(364)	-	-
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		191,433	(33,563)	(30,038)	127,832	60,153
Other recognised gains and losses						
Other gains or losses	11	688	-	-	688	(561)
Net movement in funds		192,121	(33,563)	(30,038)	128,520	59,592
Fund balances at 1 January 2019		81,904	571,576	67,966	721,446	661,854
Fund balances at 31 December 2019		274,025	538,013	37,928	849,966	721,446

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

All income and expenditure derive from continuing activities.

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

GREAT LAKES OUTREACH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

Prior financial year

	Notes	Unrestricted funds general 2018 £	Unrestricted funds designated 2018 £	Restricted funds 2018 £	Total 2018 £
Income from:					
Donations and legacies		771,622	-	308,127	1,079,749
Commercial trading operations	3	7,552	-	-	7,552
Investments	4	2,300	-	-	2,300
Total income		781,474	-	308,127	1,089,601
Expenditure on:					
Raising funds	5	7,927	-	6,400	14,327
Charitable activities	6	600,470	150,424	264,227	1,015,121
Total resources expended		608,397	150,424	270,627	1,029,448
Net incoming/(outgoing) resources before transfers		173,077	(150,424)	37,500	60,153
Gross transfers between funds		(500,000)	500,000	-	-
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		(326,923)	349,576	37,500	60,153
Other recognised gains and losses					
Other gains or losses	11	(561)	-	-	(561)
Net movement in funds		(327,484)	349,576	37,500	59,592
Fund balances at 1 January 2018		409,388	222,000	30,466	661,854
Fund balances at 31 December 2018		81,904	571,576	67,966	721,446

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

All income and expenditure derive from continuing activities.

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

GREAT LAKES OUTREACH

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	12		1,025		28,424
Programme related investments	13		21,871		43,965
			<u>22,896</u>		<u>72,389</u>
Current assets					
Stocks	14	2,399		2,351	
Debtors	15	49,640		50,776	
Cash at bank and in hand		796,845		607,820	
		<u>848,884</u>		<u>660,947</u>	
Creditors: amounts falling due within one year	16	<u>(21,814)</u>		<u>(11,890)</u>	
Net current assets			<u>827,070</u>		<u>649,057</u>
Total assets less current liabilities			<u><u>849,966</u></u>		<u><u>721,446</u></u>
Income funds					
Restricted funds	17		37,928		67,966
Designated funds	19		538,013		571,576
General unrestricted funds			274,025		81,904
			<u>849,966</u>		<u>721,446</u>

GREAT LAKES OUTREACH

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2019, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 21 December 2020.

Paul Smith
Trustee

Company Registration No. 4686283

GREAT LAKES OUTREACH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	22		187,365		63,361
Investing activities					
Purchase of tangible fixed assets		(653)		-	
Interest received		2,313		2,300	
Net cash generated from investing activities			1,660		2,300
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			189,025		65,661
Cash and cash equivalents at beginning of year			607,820		542,159
Cash and cash equivalents at end of year			<u>796,845</u>		<u>607,820</u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Charity information

Great Lakes Outreach is a private company limited by guarantee (company number 4686283) incorporated in England and Wales. The registered office is 1st Floor, Tower House, Latimer Park, Chesham, Bucks, HP5 1TU. The company is registered with the Charity commission (number 1097267).

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

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.

1.2 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.

1.3 Charitable funds

The funds held by the Charity are:

Unrestricted general funds – these are funds which can be used in accordance with the objects of the Charity at the discretion of the Trustees.

Unrestricted designated funds - these are funds which the Trustees have designated for a specific purpose. Details of the designated funds are set out in the notes to the accounts.

Restricted funds – these are funds which can only be used for particular purposes within the objects of the Charity, usually to support particular projects or needs. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Gift aid related to restricted donations is treated as restricted income. The purpose and use of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Voluntary income is received by way of gifts and donations and is included in full in the Statement of Financial Activities when receivable. Donations under gift aid, together with the associated income tax recovery are recognised when the donation is received.

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

1.5 Resources expended

Support costs are accounted for on an accruals basis. These include costs incurred in the UK for administering funds received. All costs incurred in Burundi are allocated to direct charitable activities.

Grants payable are recognised when paid, unless there is an earlier unconditional obligation to make payments.

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

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.6 Tangible fixed assets

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

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	5% of net book value per annum reducing balance
Website	20% of cost per annum straight line
Fixtures, fittings & equipment	25% of cost per annum straight line

1.7 Fixed asset investments

The Charity has programme related investments. Programme related investments initially recognise and measure the loans at the amount received or paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

1.8 Stocks

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

1.9 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.

1.10 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

1.11 Employee benefits

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

1.12 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.13 Taxation

The Charity is not subject to Corporation Tax. It is entitled to claim from HM Revenue & Customs the tax associated with income received under gift aid.

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Critical accounting estimates and judgements

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

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

3 Commercial trading operations

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Sale of books and CDs	9,048	7,552

4 Investments

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Interest receivable	2,313	2,300

5 Raising funds

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £	Restricted funds 2018 £	Total 2018 £
Seeking donations, grants and legacies	6,940	4,586	6,400	10,986
Other fundraising costs	6,419	3,341	-	3,341
	<u>13,359</u>	<u>7,927</u>	<u>6,400</u>	<u>14,327</u>

Fundraising activities included various events completed by supporters and advocates of the Charity, most notably including:

A fundraising event at Harrow School, raising £43,045 for the Charity.

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Charitable activities

	Charitable Activities in Burundi 2019 £	Charitable Activities in Burundi 2018 £
Staff costs	25,053	60,285
Depreciation	360	536
Direct charitable activities	29,228	32,058
	<hr/>	<hr/>
	54,641	92,879
Grant funding of activities (see note 7)	792,512	810,332
Share of support costs (see note 8)	208,892	105,766
Share of governance costs (see note 8)	6,594	6,144
	<hr/>	<hr/>
	1,062,639	1,015,121
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds - general	768,741	600,470
Unrestricted funds - designated	33,563	150,424
Restricted funds	260,335	264,227
	<hr/>	<hr/>
	1,062,639	1,015,121
	<hr/>	<hr/>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

7 Grants payable

	Charitable Activities in Burundi 2019 £	Charitable Activities in Burundi 2018 £
Grants to institutions:		
Scripture Union	84,366	72,995
Youth for Christ Burundi	60,629	121,423
Partners Trust International	36,281	19,326
Harvest Initiatives	34,095	20,496
Evangelism Explosion	68,659	50,135
New Generation	60,499	51,652
Union Des Groupes Bibliques Du Burundi (UGBB)	23,498	8,068
APRID	20,498	28,453
Burundi Bio Agricultural Communities	1,334	9,595
Bravo Ministries	3,927	8,468
Kings Conference Centre (Scripture Union)	36,056	151,964
Christian Initiatives for Peace (Various)	58,549	63,066
J-Life	86,548	41,640
Bible Society	-	22,287
Heritage TV	32,149	-
Other	109,462	70,358
	<u>716,550</u>	<u>739,925</u>
Grants to individuals	75,962	70,407
	<u>792,512</u>	<u>810,332</u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

8 Support costs

	Support costs	Governance costs	2019 Support costs	Governance costs	2018
	£	£	£	£	£
Staff costs	124,858	-	124,858	70,933	70,933
Depreciation	27,692	-	27,692	2,258	2,258
UK office administration	56,342	-	56,342	32,575	32,575
Audit fees	-	6,594	6,594	-	6,144
	<u>208,892</u>	<u>6,594</u>	<u>215,486</u>	<u>105,766</u>	<u>111,910</u>
Analysed between					
Charitable activities	<u>208,892</u>	<u>6,594</u>	<u>215,486</u>	<u>105,766</u>	<u>111,910</u>

Support and governance costs are costs incurred in support of the Charity's activities. All costs are allocated to the charitable activity. Costs are identified as support costs on the following basis:

Staff costs Staff location
Depreciation Asset location
Office administration Office location

Governance costs is comprised of accountancy fees of £3,094 (2018 - £2,644) and audit fees of £3,500 (2018 - £3,500).

9 Trustees

No Trustee or any person connected with them received remuneration or expenses during the year (2018 - nil). Total donations received without conditions from Trustees and entities controlled by Trustees during the year were £1,925 (2018 - £2,000). Donations were received with the following restrictions during the year:

YFC £480
J-Life £20,043
PTI £3,750

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Burundi	2	2
United Kingdom	4	3
	<u>6</u>	<u>5</u>

Employment costs

	2019 £	2018 £
Wages and salaries	141,015	122,612
Social security costs	636	7,724
Other pension costs	8,369	-
	<u>150,020</u>	<u>130,336</u>

During the year, £60,632 (2018 - £60,285) was paid to key management personnel, which constitutes the total remuneration of key management personnel. The payment of key management personnel represented the only payments to any employee whose annual remuneration was £60,000 or more (2018 - none). The Charity received restricted donations for one member of key management personnel totalling £4,000 (2018 - £4,958). The Charity paid £4,000 of these (2018 - £7,405) in the year which, including the balance brought forward, gave rise to a balance carried forward at the year end of £nil (2018 - £nil).

11 Other gains or losses

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Foreign exchange gains	<u>(688)</u>	<u>561</u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Tangible fixed assets

	Land and buildings	Website	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2019	33,907	6,640	12,122	52,669
Additions	-	-	653	653
Disposals	(33,907)	-	-	(33,907)
At 31 December 2019	-	6,640	12,775	19,415
Depreciation and impairment				
At 1 January 2019	6,702	6,640	10,903	24,245
Depreciation charged in the year	360	-	847	1,207
Eliminated in respect of disposals	(7,062)	-	-	(7,062)
At 31 December 2019	-	6,640	11,750	18,390
Carrying amount				
At 31 December 2019	-	-	1,025	1,025
At 31 December 2018	27,205	-	1,219	28,424

13 Programme related investments

	Loans
	£
At 1 January 2019	43,965
Loan increase	12,637
Amounts converted to grant	(26,666)
Loan repayments	(8,065)
At 31 December 2019	21,871

The Charity makes social investment loans to partner operations in furtherance of the Charity's objectives. The Trustees are satisfied that making these loans constitutes programme investments that further the objects of the Charity. These loans are measured at historic cost adjusted each year for additions, repayments and impairment. No interest is charged on these loans, and loans are reviewed for recoverability on a regular basis. In accordance with the Charity SORP, these loans have been identified as social investments.

14 Stocks

	2019	2018
	£	£
Finished goods and goods for resale	2,399	2,351

The amount of inventories expensed during the year was £6,468 (2018: £3,341).

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

15 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Other debtors	49,640	50,776
	<u> </u>	<u> </u>
16 Creditors: amounts falling due within one year	2019	2018
	£	£
Accruals and deferred income	21,814	11,890
	<u> </u>	<u> </u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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:

	Movement in funds			Movement in funds			Transfers	Balance at 31 December 2019
	Balance at 1 January 2018	Incoming resources	Resources expended	Balance at 1 January 2019	Incoming resources	Resources expended		
	£	£	£	£	£	£	£	
Youth for Christ - various projects	18	86,719	(86,687)	209	27,912	(28,007)	-	114
Harvest Initiatives - various projects	20	5,983	(5,963)	40	3,549	(3,589)	-	-
Kings Conference Centre	-	20,496	(1,540)	18,956	(2)	(4,771)	-	14,183
Scripture Union	-	85,836	(66,969)	18,867	2,730	(21,597)	-	-
New Generation	-	5,413	(5,413)	825	32,459	(33,284)	-	-
Christmas fund	8,394	-	-	8,394	-	(8,394)	-	-
BBAC	-	5,050	(5,050)	-	996	(996)	-	-
Bravo Ministries	-	6,000	(6,000)	-	3,700	(3,700)	-	-
Partners Trust International	74	9,116	(9,190)	745	23,786	(24,531)	-	-
APRID	-	10,000	(10,000)	-	55	(55)	-	-
J-Life	36	26,100	(26,100)	36	51,097	(49,917)	-	1,216
Individual specific recipients	12,552	25,220	(26,461)	12,953	21,935	(26,219)	-	8,669
Other institutions	9,372	22,195	(21,256)	6,941	62,442	(55,276)	(364)	13,743
	<u>30,466</u>	<u>308,127</u>	<u>(270,628)</u>	<u>67,966</u>	<u>230,659</u>	<u>(260,336)</u>	<u>(364)</u>	<u>37,928</u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

16 Restricted funds (Continued)

All restrictions arise when specified by the donor or when funds are raised for a particular purpose.

Youth for Christ restricted fund are funds donated for various projects which Youth for Christ complete in Burundi.

Harvest for Christ restricted fund are funds donated for various projects which Harvest for Christ complete in Burundi.

Kings Conference Centre restricted fund relates to funds donated for the Kings Conference Centre hotel complex owned and run by Scripture Union Burundi.

Scripture Union restricted fund are funds donated for the distribution of Bibles translated into Kirundi.

New Generation restricted fund are funds donated for the work of New Generation in Burundi.

BBAC restricted fund are funds donated to provide cows for rural areas in Burundi and support the distribution of milk therefrom.

Bravo restricted fund are funds donated to support the Bravo ministry in Burundi,

Partners Trust International restricted fund are funds donated for the PTI School of Theology.

Individual specific recipient funds are funds donated for specific individuals in Burundi.

Sufficient funds are held within current assets to ensure that all restricted funds can be administered.

The Charity raises funds for a variety of projects and communicates to donors that excess funds will be used where needed most.

19 Designated funds

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	Movement in funds					
	Balance at 1 January 2018	Incoming resources	Resources expended	Balance at 1 January 2019	Resources expended	Balance at 31 December 2019
	£	£	£	£	£	£
Kings Conference Centre	222,000	500,000	(150,424)	571,576	(33,563)	538,013
	<u>222,000</u>	<u>500,000</u>	<u>(150,424)</u>	<u>571,576</u>	<u>(33,563)</u>	<u>538,013</u>

Kings Conference Centre (KCC) - During 2017, the Trustees designated £222,000 of funds for the purpose of development of the KCC hotel complex owned and run by Scripture Union. A further £500,000 was designated by the Trustees in 2018. During the year the Charity granted £33,563 to KCC for phase two development works.

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

20 Analysis of net assets between funds

	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £	Unrestricted funds 2018 £	Designated funds 2018 £	Restricted funds 2018 £	Total 2018 £
Fund balances at 31 December 2019 are represented by:								
Tangible assets	1,025	-	-	1,025	28,424	-	-	28,424
Programme related assets	21,871	-	-	21,871	43,965	-	-	43,965
Current assets/(liabilities)	251,129	538,013	37,928	827,070	9,515	571,576	67,966	649,057
	<u>274,025</u>	<u>538,013</u>	<u>37,928</u>	<u>849,966</u>	<u>81,904</u>	<u>571,576</u>	<u>67,966</u>	<u>721,446</u>

Within current assets is restricted cash of £36,463 (2018 - £62,875) which cannot be used for the general purposes of the Charity, as well as funds that have been designated by the Trustees totalling £538,013 (2018 - £571,576).

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

21 Related party transactions

In addition to those transactions disclosed in notes 9 and 10, the following related party transactions occurred during the year.

Great Lakes Outreach (GLO UK) has a sister charity, Great Lakes Outreach US (GLO US), which operates in the USA. The charities operate autonomously, but are closely aligned, with both organisations grant funding operations in Burundi. During the year, funds were received by GLO UK from GLO US totalling £12,348 (2018 - £29,028), with grants made on behalf of GLO US totalling £15,151 (2018 - £1,724).

22 Cash generated from operations	2019 £	2018 £
Surplus for the year	127,832	60,153
Adjustments for:		
Investment income recognised in statement of financial activities	(2,313)	(2,300)
Foreign exchange differences	688	(561)
Loss on disposal of tangible fixed assets	26,845	-
Depreciation and impairment of tangible fixed assets	1,207	2,793
Movements in working capital:		
Decrease/(increase) in programme related assets	66,059	(43,965)
(Increase) in stocks	(48)	(1,513)
(Increase)/decrease in debtors	(42,829)	44,493
Increase in creditors	9,924	4,261
Cash generated from operations	187,365	63,361

23 Analysis of changes in net funds

The Charity had no debt during the year.