



# AFFCADUK Trustee Report and Financial Statements 2016

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## Document Control

Status	Date	Details of changes
V0.1	20/05/2017	First draft for review
V0.2	20/06/2017	Updated with comments from Hannah Richards.
V0.3	02/07/2017	Updated with comments following initial review from wider audience.
V0.4	02/07/2017	Transferred into new document format.
V0.5	04/07/2017	Updated final finance figs and some minor formatting changes
V0.6	15/07/2017	Updated with comments following second review.
V1.0	18/08/2017	Final Signed off Version

## Document Sign Off

Status	Date of Sign Off	Name	Position
V0.6	09/08/2017	Nicole Rodden	Trustee AFFCAD UK
V0.6	02/08/2017	Arabella Warden	Trustee AFFCAD UK
V0.6	03/08/2017	Sophie Bevin	Trustee AFFCAD UK
V0.6	17/08/2017	Natalie Staub	Trustee AFFCAD UK
V0.6	02/08/2017	Elizabeth Parker	Trustee AFFCAD UK
V0.6	02/08/2017	Samantha Nakirya	Trustee AFFCAD UK



## Introduction

The trustees present their report with the financial statements of the charity for the year ended 31st December 2016. The trustees have adopted the provision of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 2005. The financial statements have been prepared on the accounting policies set out in Note 1 to the accounts. AFFCAD UK is a charity registered with the Charity Commission under charity number 1165059.

## Mission Statement

The organisation's aim is to end extreme poverty in Uganda's poorest urban area through supporting AFFCAD projects and connecting people and organisations in the UK with the community of Bwaise.

## Objectives and Activities – what we do and how we do it?

AFFCAD UK works to provide support for the Ugandan charity, Action for Fundamental Change and Development (AFFCAD). AFFCAD is a grassroots, community based organisation located in Kampala, Uganda. It was formed in 2009 by a group of four young men from Bwaise with the aim of empowering slum communities to end poverty and also preventing the spread of HIV/AIDS whilst promoting local self-reliance.

Both charities work to improve the lives of some of Uganda's poorest people by:

- Providing financial support to the Excel Education Centre and Vocational Training Centre in Bwaise
- Running child sponsorship schemes to provide children with an opportunity to obtain an education.
- Hosting Christmas parties and distributing Christmas Parcels to children in the slums.
- Empowering women by connecting people and organisations in the UK (and worldwide) with the community of Bwaise such as selling handmade bags in the UK to provide an alternative source of income to commercial sex workers in Bwaise.
- Working together with AFFCAD (Action for Fundamental Change and Development) in Uganda to plan, manage and evaluate health initiatives, education and vocational training centres in Bwaise.

AFFCAD UK is a small organisation with big impact. High percentage of funds go directly to the beneficiaries in Uganda.

More details can be found on our new website: [affcaduk.org](http://affcaduk.org)

## Achievements in 2016

2016 was a big year for the growth and development of AFFCAD UK and the organisation officially registered with the UK Charity Commission in early January. Following this, the idea for AFFCAD UK's first official project was conceived in the form of the 'Project Chicken Feed'.



In response to the hunger and food insecurity faced by the inhabitants of Bwaise, AFFCAD UK launched Project Chicken Feed with the aim of providing lunch to 200 children at the Excel Education Centre and empowering 90 households with skills and knowledge in urban farming, food security and poverty alleviation. The project proved challenging for AFFCAD UK as a fairly young charity, and although the first cycle did not meet its objectives, valuable lessons were learnt and the immense public support highlights the future potential for this project. After Project Chicken Feed, public support has remained a vital element to the continued success of AFFCAD UK, this is highlighted by the fact that in 2016 UK Fundraising reaching over £10,000. The Project also gained attention of the UK media; with an appearance on ITV News and Liz Parker (CEO) being given a British Citizen Award.

After Project Chicken Feed, AFFCAD UK progressed the second project of 2016, 'Give a Girl a Future' (GAGAF). The rationale behind the project was to do something practical, sustainable and safe to help the hundreds of young sex workers in Bwaise (identified by AFFCAD as the most deprived slum area in Kampala). AFFCAD UK started a 6-month intensive programme to counsel and shelter young girls who had been forced into 'survival sex'. Overall the project was a huge success with social and economic gains for the girls enrolled onto the project. Five out of the six girls completed their training at BYEC, graduated from the programme and no longer engage in commercial sex work. As graduation gifts for the girls, AFFCAD UK purchased a shoe machine and 3 sewing machines, so that they could continue to develop the tailoring and craft skills learnt at BYEC in order to secure a sustainable source of income for the future. Not only was GAGAF an incredibly important project for its beneficiaries, but its success provided the momentum needed to strengthen the UK team's belief in itself. GAGAF highlighted the massive potential of this small charity hundreds of miles away from Uganda.

In addition to the projects, AFFCAD UK continued to use funds to support both the BYEC and Excel Education Centre by paying the salaries of the teachers at both establishments. Without this, both educational centres would have been forced to close, depriving hundreds of children and young people in the community of any formal education.

As the year drew to a close, AFFCAD UK hosted a Christmas Party for the children of Bwaise. It was a fitting way to end 2016 as the event was not only a celebration of the Holiday, but also marked the end of an extremely successful year. The event was attended by over 200 children in the community,

Aside from the work that was achieved in Uganda, 2016 marked a big change for the team on the ground in the UK. Firstly, AFFCAD UK recruited its first two ambassadors: Miss Uganda UK, Natasha Mutebi and motivational speaker, Hayley Mulenda. By using their various networks, social media platforms and public influence, both ambassadors helped raise awareness of AFFCAD UK's work and increase the support for the charity in the UK.

The constant support of James Allen Girls' School (JAGs) has also been crucial to AFFCAD UK's success in 2016. The AFFCAD UK club (est. 2014) at the school continues to meet on a weekly basis, the club serves as a forum for knowledge exchanges between students at the school and the Excel Education Centre, fundraising initiatives and research projects. In addition to the club, students regularly take part in fundraising activities specifically for AFFCAD UK and have raised thousands of pounds in support of the charity.

Finally, this year saw the growth of UK core team to 5 volunteers; this played a key role in expanding the scope of the charity's work and establishing solid foundations for future growth. More detail about the activities and roles of the volunteers can be found below.

### **Public Benefit**

The trustees consider that the objectives and aims stated above of the charity provide public benefit within the meaning and terms of the Charities Act 2011.



## **Volunteers**

The organisation had 5 volunteers during the year who advised on strategy, provided administrative support and helped fundraise for the organisation.

The core team conducted a gap analysis to identify the volunteer positions that will be needed to support the growth of AFFCAD UK. The team concluded that more specific roles - including IT Support, Accountant, Volunteer Manager and Social Media Officer - are necessary for the future.

## **Objectives for 2017**

The key objectives for 2017 and the future are to focus fundraising activities (including grant applications) to support the rebuild of the Excel Education Centre.

The main fundraising project will be: 'Bus2Bwaise/4 Peak Challenge'.

Target of £500 per month for regular donations has been set, this is to be achieved over the next 3 years.

As the organisation aims to keep support costs down, and the Director is moving to Uganda, a volunteer team in UK is to be made up of:

UK Programmes: Samantha Nakirya

UK Operations: Hannah Richards

IT/Comms: Natalie Staub

Bookkeeper and Secretary: Natasha Barret

Accountant: Regina Lombard

Project team/research/general assistant: Francesca Haigh

In 2017, JAGs will be partnering with AFFCAD UK to run a new initiative; a Knowledge Exchange trip. A group of students from the UK will travel to Kampala to exchange their skills and experiences with young people in Bwaise. If successful, the trip will be conducted on an annual basis.

There will also be a major focus on the Internet presence of AFFCAD UK and AFFCAD; social media campaigns will be organised for both fundraising projects and the UK and UG websites will be relaunched.

## **Structure Governance and Management**

AFFCAD UK was registered as a charity (CIO) on 6<sup>th</sup> January 2016 (Charity number is **1165059**). On 11<sup>th</sup> March 2017, there were changes to the trustees.

Our trustees are responsible for setting the strategy and running the AFFCAD UK. All trustees, except otherwise stated, served the whole year.



Miss Elizabeth Parker BSC, BAO

Miss Samantha Nakirya

Miss Kayday Ismajili

In March 2017 Kayda Ismajli formally left the charity and new trustees have been added:

Ms Arabella Warden

Miss Sophie Bevin

Miss Hannah Richards

Miss Nicole Rodden

Miss Natalie Staub

All trustees are appointed in accordance with section 10 of AFFCAD UK's 2017 constitution and meet the following criteria:

(1) Apart from the first charity trustees, every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

(2) In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

The organisation uses known contacts and individuals with an interest in Ugandan development as well as recruitment website services (Reach Volunteering and Southwark Volunteer Centre) to recruit Trustees and volunteers.

When new trustees are appointed they are given a formal induction into the work of the organisation. All trustees and volunteers are given a copy of the latest Constitution and Organisation Chart.

Any decision by the charity may be taken either: at a meeting of the charity trustees; or by resolution in writing or electronic form agreed by all of the charity trustees, which may comprise either a single document or several documents containing the text of the resolution in like form to each of which one or more charity trustees has signified their agreement.

(a) No decision shall be taken at a meeting unless a quorum is present at the time when the decision is taken. The quorum is two charity trustees, or the number nearest to one third of the total number of charity trustees, whichever is greater, or such larger number as the charity trustees may decide from time to time. A charity trustee shall not be counted in the quorum present when any decision is made about a matter upon which he or she is not entitled to vote.

(b) Questions arising at a meeting shall be decided by a majority of those eligible to vote.

(c) In the case of an equality of votes, the person who chairs the meeting shall have a second or casting vote.



## Financial Review

During the year, the net funds raised from the general public were £9,773, the majority of which was unrestricted income £8,586. In line with the organisation's objectives all monies raised are to go to directly to support projects in Uganda and of the cash raised, 86% was sent AFFCAD, 7% remains in reserves and the remaining 7% was spent on income generating costs.

Note: As this is the first year of operations, there are no year on year numbers.

## Reserves policy

As running costs are low, the reserves policy is to maintain a balance to cover the UK running costs to 9 months; costs total approximately £150/month.

The charitable company is entitled to exemption from audit under Section 144 of the Charities Act 2011 (the Charities Act) for the year ended 31<sup>st</sup> December 2016.

As income generated was less than £25,000, no independent audit is required.

The trustees acknowledge their responsibilities for

- a) Ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Charities Act 2011 and
- b) Preparing financial statements which give a true and fair view of the state of affairs of the charitable company as the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirement of Section 394 and 395 and which otherwise comply with the requirements of the Charities Act 2011 relating to financial statement, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees on 2<sup>nd</sup> August 2017 and was signed on its behalf by

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Elizabeth Parker, *Co-Founder and Director, AFFCAD UK*

**AFFCAD UK Statement of Financial Activities for year ended 31<sup>st</sup> December 2016**



**AFFCAD UK STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st December 2016**

		Unrestricted Funds	Restricted Funds	Total Funds
	Note	£	£	£
<b>Income Resources from generated funds</b>				
Voluntary Income	2	3,775	611	4,386
Activities for generating funds	3	4,811	576	5,387
		<b>8,586</b>	<b>1,187</b>	<b>9,773</b>
<b>Resources Expended</b>				
Cost of Generating Voluntary Income	4	154	0	154
Fundraising trading costs	5	400	41	441
Charitable Activities	6	6,143	2,298	8,441
Governance Costs	7	28		28
<b>Total Resources Expended</b>		<b>6,725</b>	<b>2,339</b>	<b>9,064</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>1,861</b>	<b>(1,152)</b>	<b>709</b>
Gross Transfers between funds		<b>(1,610)</b>	<b>1,610</b>	<b>0</b>
<b>Total Funds Carried forward</b>		<b>251</b>	<b>458</b>	<b>709</b>

**AFFCAD UK Balance Sheet as at 31<sup>st</sup> December 2016**

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
<b>Fixed Assets</b>			
<b>Current Assets</b>			
Cash at hand and in Bank	709	0	709
<b>Current Liabilities</b>			
<b>Net Assets</b>	<b>709</b>	<b>0</b>	<b>709</b>
<b>Funds</b>			
Unrestricted Funds	251		251
Restricted Funds	-	458	458
<b>Total Funds</b>	<b>251</b>	<b>458</b>	<b>709</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> December 2016

### 1. Accounting Policies

The principal accounting policies, all of which have been applied consistently throughout the year, are set out below.

#### a) Basis of preparing the financial statement

The financial statements have been prepared under the historical cost convention, and are in accordance with trust law, applicable accounting standards "Accounting and Reporting by Charities: Statements of Recommended Practice (the Charities SORP) 2005.

#### b) Fund Accounting

Unrestricted funds are general funds that are available for use at the trustees' discretion in furtherance of any objective of the charity.

Restricted Funds are those donated for use in a particular area or for a specific purpose, the use of which is restricted to that area or purpose and the restriction means that the funds can only be used for specific projects or activities.

#### c) Incoming resources

Voluntary Income, including donations, gifts and legacies and grants that provide core funding are recognised where there is an entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income from charitable activities includes income recognised as earned as the goods and services are provided) under contract.

#### d) Resources expended

Expenditure is recognized when a liability is incurred.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Governance costs include those incurred in the governance by the trustees of the charities' assets and are associated with constitutional and statutory requirements of operating the charity.

Support costs include central functions and have been allocated to activity cost categories on the basis of consistent.

#### e) Volunteer and Other Donated Services

The value of services provided by volunteers is not incorporated into these financial statements.



Trustees are not remunerated and not paid expenses.

*f) Taxation*

Irrecoverable VAT is not separately analysed and is charged to the statement of financial activity when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Tax recovered from voluntary income received under gift aid is recognized when the related income is receivable and is allocated to the income category to which it relates.

*g) Fixed Assets*

Currently the organisation does not hold any fixed Assets

## 2) Voluntary Income

An amount of £4,386 was generated through voluntary income as per Table below.

<b>AFFCAD UK Financial year 2016</b>			
<b>Voluntary Donations</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Miscellaneous Donations - Paypal and bank transfers	1,709		1,709
Virgin Web Donations	1,501		1,501
Recurring Donations	565		565
Future Girls Personal Donation		250	250
Child Sponsorship - Berber Bosch		361	361
	<u>3,775</u>	<u>611</u>	<u>4,386</u>

## 3) Activities for generating funds

<b>AFFCAD UK Financial year 2016</b>			
<b>Activities for Generating Funds</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
JAGs Summer fundraiser	3,466		3,466
Pat De Barry fundraising	1,345		1,345
Donation from Christmas fundraising at Silixa ltd		250	250
JAGs Christmas fundraiser		199	199
Devon Village Hall fundraiser		127	127
	<u>4,811</u>	<u>576</u>	<u>5,387</u>

## 4) Cost of Generating Voluntary Income

The cost of generating voluntary income of £154 related to

Cost of setting up Virgin Money Account £120



**5) Fundraising trading costs**

The main cost associated with the fundraising events was £400 for the Unique bags for the Christmas fundraiser sale.

**6) Charitable Activities**

One of the key objectives of the organisation is to maintain operating costs as low as possible and transfer as much of the funds raised direct to AFFCAD in Uganda to support their ongoing projects.

<b>AFFCAD UK Financial year 2016</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
<b>Spend on Charitable Activities</b>	<b>£</b>	<b>£</b>	<b>£</b>
BYEC Project	3,220		3,220
Excel Project	3,126		3,126
Christmas party	295	576	871
Give a Girl a future	205	250	455
Unique project	208		208
Naiga Shoe Machine	244		244
Child Sponsorship		85	85
Misc - phones, business cards, general expenses	232		232
	<u>7,530</u>	<u>911</u>	<u>8,441</u>

**7) Governance Cost**

Governance cost relate to stationery items to support all the filings and compliance of the organisation.

