

Ace Africa UK

Annual Report & Accounts 2018



Ace Africa

Developing Communities

A company limited by guarantee. registered Charity No: 1111283, company Number: 4726183

Ace Africa (UK)
Report and Financial Statements
for the year ended 31 December 2018

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Ace Africa (UK)
Report and Financial Statements For the
year ended 31 December 2018



Charity Name:	Ace Africa (UK) formerly Action in the Community Environment
Charity No:	1111283
Company No:	4726183
	The charitable company is governed by its Articles of Association
Registered Office:	c/o Lockton Companies LLP, The St Botolph Building 138 Houndsditch London EC3A 7AG
Operational Address:	c/o Lockton Companies LLP, The St Botolph Building 138 Houndsditch London EC3A 7AG
Trustees:	David Montgomery - Chairman Christopher Rowse Francis Howard Lucy Demery Simon Curtis
Treasurer:	David Whitworth
Staff:	David Evans, UK Country Director Stephanie Mooney, Trusts and Foundations Senior Manager Olivia Jarman, Fundraising and Communications Manager Ajay Vasa, Finance Manager Lizzy Epsley, Trusts and Foundations Senior Manager (on maternity leave)
Auditors:	Critchleys Audit LLP, Beaver House, 23 - 28 Hythe Bridge Street, Oxford OX1 2EP
Bankers:	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ. Barclays Bank PLC, Leicester, LE827

Ace Africa (UK) Annual Report and Accounts 2018



The Trustees of Ace Africa (UK) (the "Charity") present their report on activities for the year ended 31st December 2018.

The financial statements comply with the Charities Act 2011, 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 2015).

Constitution

Ace Africa (UK) is a charity registered with the Charity Commission for England and Wales (number 1111283) and is constituted as a company limited by guarantee (number 04726183). Its governing document is its memorandum and articles of association.

Trustees

The Trustees are the directors and members of the Charity and are appointed by the Board. Under the articles of association there may be no fewer than three Trustees; there are six at present. Trustees are appointed by the board.

In selecting Trustees, consideration is given to their breadth of knowledge and the experience required by Ace Africa. Candidates are interviewed, and nominations presented for approval to the Board. New Board members receive appropriate documentation about the roles and responsibilities associated with becoming a Trustee and are given appropriate inductions.

Genevieve Lloyd stepped down from the Board in October 2018. We are very grateful for her contribution. Three additional trustees are being sought.

Organisational structure

Trustees oversee the affairs of the Charity on a voluntary basis and meet as necessary for this purpose. Decisions are made by majority vote at meetings of trustees. The board focuses on the levels of unrestricted income/expenditure and reserves, to strike the right balance between the sustainability of the Charity and the effective delivery of the organisation's mission and objectives.

Ace has three full time and one part time staff member. In November 2018, one part time member of staff left on maternity leave. Another staff member resigned in June. The role of both staff was covered by a new full time hire, a Senior Trusts and Foundations Manager. A staffing committee has been maintained, to receive and discuss recommendations from the UK Country Director, comprising of the Chairman, David

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Montgomery, Lucy Demery and David Whitworth.

The Charity is fortunate to be able to use office space provided pro bono by the Lockton Companies LLP and we are very grateful to them for this extremely valuable support.

Principal activities

Ace Africa UK is an independent charity, established in 2005 to raise funds for Ace Africa Tanzania (founded in 2008) and Ace Africa Kenya (founded in 2003). Ace Tanzania and Kenya are independent organisations, registered in their respective countries. All three organisations share a common vision: 'to enable children and their communities to participate in and take responsibility for their own health, wellbeing and development'. They also believe in a common approach:

- a long-term, sustainable approach to community development; when local people are able to take control of their future, our presence is no longer required
- working in partnership, with communities, government, other NGOs and donors. Communities identify problems and priorities, based on local context and needs
- interventions are research driven and evidence based – monitoring and evaluation shows what is working and what needs to be changed
- creating awareness of government services, and bringing these services closer to the community, bridging gaps that often exist. Ace works with government to ensure their services are innovative, cost effective and inclusive
- capacity building and advocacy empower communities and are central parts of all work

Having been dormant since 2009, Ace Africa USA was revived in 2018 to provide alternative sources of income from both individuals and grant making organisations. New trustees have been appointed and appropriate filings made. US fundraising in 2019 will depend on organisational priorities and capacity.

Ace Africa UK approaches trusts, foundations, companies and government funding agencies. Donors may then choose to make grants directly to Ace Kenya and Ace Tanzania, or ask Ace Africa UK to receive and manage the grant on their behalf, and provide relevant accountability to the donor. Ace Africa UK holds fundraising events and approaches individuals to raise funds forwarded as grants to Ace Kenya and Ace Tanzania to support their programmes; donations are managed under signed partnership agreements. Reports are received on the activities and progress towards each year's overall objectives.

Where appropriate Ace Africa UK may support other NGOs working in the same field.

Operations supported by Ace Africa UK

Ace Africa Tanzania and Kenya work with vulnerable, marginalised people in low resource settings in Kenya and Tanzania. They build resilient, inclusive communities, helping them access high quality social services. We improve food and economic security, health and education by developing long term sustainable solutions in three programming areas: Child Development, Community Health and Community Livelihoods

- **Child Development**
Giving children the skills and knowledge they need to build healthy, productive and fulfilling lives for

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themselves, their families and the wider community.

- **Community Health & Wellbeing**
Providing the knowledge and training needed to make better decisions regarding health, and to work proactively to prevent the spread of diseases such as HIV and AIDS.
- **Community Livelihoods**
Agriculture & nutrition (training in nutrition and in sustainable, organic methods of farming, developing community mentors and providing seeds, tools and technical support to improve food security for the long-term) and economic empowerment (skills and experience to secure economic independence).

Ace Africa Tanzania continues to work in 11 out of 27 wards in Arusha District, and on a project on Kome Island. In 2018 Ace celebrated its ten-year anniversary in Tanzania, reaching over 50,000 direct beneficiaries - 286,536 in total since we began our work in 2008. In partnership with the Ministry of Health, we were the largest provider of HIV testing services in Arusha District, testing 9,591 people during the year. We increased our work in schools, providing over 15,000 children with life skills and sexual health education. Through our Child Protection project we educated over 22,000 people on child rights and protection, and established six Child Protection Teams leading to 3,104 cases of abuse being reported (of which 82 per cent were resolved). In 2019 the charity is obliged to re-register under new NGO laws.

In the eight counties where Ace Africa Kenya is active, our work tackled women and girls' vulnerability to HIV, including work with over 18,000 Adolescent Girls and Young Women (AGYW) and 4,300 sex workers in Bungoma, increasing access to HIV prevention and treatment services. To improve some of the worst outcomes for maternal and child health in the world, Ace trained 217 Community Health Workers (CHWs) to provide proper obstetric care in Siaya County. We started a cooperative linked to Solar Irrigation Project supported by Power Africa Programme. Across our areas of operation we scaled up work across Child to Child clubs, Water, Hygiene and Sanitation (WASH) programmes and Child Rights.

Multi-year institutional grants secured in Kenya continue to constitute the majority of Ace Kenya funding. A significant portion links to USAID. Changes in their strategy have impacted Ace and confirmed the need to diversify fundraising.

A grant was agreed with the Vitol Foundation – signed by each Country Director - to facilitate research in Kenya and Tanzania, with a view to hiring in-country fundraising capacity. The grant to facilitate research, recruitment and hiring will conclude in February 2020.

Monitoring and evaluation continues to be revised further to feedback from donors. Key achievements are compiled annually in each country. By the end of 2018 Ace Africa Kenya and Tanzania had reached more than 1.6 million children and their families since 2003.

Activities in the UK

The small UK office was established to fundraise for Ace Kenya and Tanzania. In addition to, and to facilitate, fundraising, communications work (eg. the annual review, web/social media and other bespoke materials) are produced with a minimum of external support. The annual review provides an on-going sponsorship opportunity and in 2018 the full costs of its production and distribution were met via corporate support, which will continue in 2019.

Liaison and collaboration with Ace Kenya and Tanzania on organisational and fundraising strategy is an

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essential part of the work of the UK office. This requires first hand knowledge and in January 2019 new and existing staff members visited the field. They gathered material for the 2018 review, assisted with reporting, and discussed UK fundraising priorities.

Ace works in partnership with different organisations and sectors. Developing partnerships with other NGOs allows Ace to share skills and learn new ones. Ace Africa UK continued a partnership with Haller, helping them improve their monitoring and evaluation; Haller trains Ace in advanced fish farming techniques. The UK and Kenya have facilitated the work of the Got Matar Community Development Group (GMCDG) in Kenya. In 2018 Ace began a partnership with a new partner, Chase Africa, a livelihoods project funded by the Dulverton Trust. The project is located in Bungoma, Vihiga, Kakamega in Western Kenya, Nukuru and Baringo Counties in the Rift Valley Kenya.

The majority of Ace Africa UK income is generated from Trusts and Foundations (including corporate trusts). Our senior and long-standing staff member working in this area was replaced in November. In advance of this her reduced presence due to pending maternity leave impacted the number and quality of applications made in advance for 2019. A low-cost recruitment process was successful and a handover took place between former and current post holders in October.

Four major donors (defined here as giving over £2,000) supported Ace, donating £79,792. This figure – donors and sum raised – declined compared to 2017 due to one donor ending their support and other donating at our 2018 gala, and their gift thus appearing in this total (see below). Our 'Friends of Ace' programme, which promotes giving by monthly direct debit, generated £10,357 and is targeted for growth.

Individual supporters took part in a variety of challenge events (London Marathon, British 10K, Prudential Ride London 100 and Royal Parks Half Marathon) – raising £14,638. Peer-to-peer fundraising (events organised by individuals for Ace) raised £5,594.

UK staff liaised with a number of UK schools, providing bespoke fundraising materials, or giving presentations. Eton College, Caldicott School, The Dragon School, Cothill School, Winchester College and All Hallows raised funds for our football league in Tanzania and other Ace Africa activities worth £11,030.

Our traditional biannual major fundraiser, a major gala, was held in November, delayed from the spring due to the changes in senior staff in 2017. It absorbed a large amount of staff time and raised £160,000, also serving as a donor cultivation event. With only two full time staff in post for the third and fourth quarter of the year, this labour intensive activity detracted from other fundraising activities scheduled for the year.

Financial performance

Income in 2018 totaled £882,067, expenditure £954,001 of which £693,538 was grant making, £134,314 fundraising and grant application costs and £5,833 was governance costs. Donations and grants were £666,291. Of this £519,511 was restricted and £144,780 unrestricted.

Event income in 2018 was £167,763. The higher figure compared to 2017 reflects the holding of the gala event. Less than was expected despite a well-received event, a good quality guest list and auction lots. Analysis showed that a limited number of guests donated the majority of income, which replicated previous events but that major lots sold for half of 2016 totals – reflecting perhaps the financial climate.

Ace Africa UK supported Ace Africa programmes in Kenya and Tanzania during the year amounting to

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£693,538 of which £535,714 was for restricted purposes and £134,360 unrestricted grants. £23,463 was transferred to the Haller Foundation on behalf of the Innocent Foundation as part of our partnership agreement.

Reserves policy

The Trustees hold unrestricted reserves in order:

- to ensure continuity of the charity's activities and delivery of programmes in Africa in the event of unexpected circumstances or setbacks
- to fulfil legal obligations in the unlikely event that Ace Africa (UK) ceases to operate

The Trustees estimate the appropriate level of reserves for the above purposes is the higher of three months of unrestricted budgeted expenditure, calculated on the basis of the annual budget, or 10% of annual expenditure, calculated on the basis of the most recent full year.

Ace ended 2018 not meeting its reserves policy. This was primarily a result of the traditional source of unrestricted income, the 2018 gala, failing to reach 2016 levels (see above). Reserves at the end of the year were £25,938.

Future plans

The success of Ace Africa Kenya in securing institutional funding from 2016 onwards led to it generating the majority of its own income. However the demands of complex institutional funding have brought their own challenges. This emphasises the importance of diversifying in-country income sources, work in progress (as referenced below).

While sharing a common purpose, each entity continues to be independent. The agreement to continue to shift the organisational center of gravity to East Africa was implemented during the year and will continue in 2019, with the UK Board focusing on UK related fundraising matters. Progress was reviewed during the year both remotely and in person during visits to the UK by Tanzanian and Country Directors.

The two steps agreed last year to promote long-term sustainable organisational change remain the same, ie developing joint long-term, multi-year organisational and funding plans and scoping funding opportunities in East Africa / recruiting East African based capacity. A grant to support both these objectives was made by a corporate trust and work to these ends took place during the year. It will continue in 2019.

Over reliance on gala event income to generate UK income has been discussed at the Board and suggestions from the Country Director for 2019 to diversify income were agreed. First and foremost it was agreed that the Country Director will focus his efforts on Major Donor development, maximising the value of our network of supporters between gala events. This requires research, development and execution of a defined programme, with the active assistance of the Board members.

The aspiration to hold a second 'event' between galas remains an aspiration. Ace Africa capacity and contacts define what fundraising activities it is able to undertake. It is hoped additional Board related fundraising capacity may facilitate this in 2019.

With a small staff and the complex work and relations to be managed with both donors and our partner organisations in Kenya and Tanzania, 2019 UK fundraising targets were set at achievable levels. In-country fundraising during a less than certain financial climate in the UK remain essential part of the longer term group fundraising strategy.

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Work will continue to develop a CRM database to better understand, target and grow our supporters.

Accounting policies

A summary of the principal accounting policies is set out in Note 1 to the accounts on page 16.

Risk

At present there are no risks connected with the internal management and administration beyond those of staff infidelity, which are managed by supervision of income and accounting functions and are insured. The Charity makes grants to Ace Kenya and Ace Tanzania, which gives rise to risks of misappropriation or maladministration of such grants. These risks are managed by regular monitoring of Ace Africa financial and activity reports, including the receipt of audited financial reports, and visits to Ace Kenya and Ace Tanzania and their project areas by the Trustees and management of the Charity.

Responsibilities of the board of trustees

The Trustees (who are also directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires that the Trustees prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- (i) Select suitable accounting policies and then apply them consistently;
- (ii) Observe the methods and principles in the Charities SORP;
- (iii) Make judgments and estimates that are reasonable and prudent;
- (iv) State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- (v) Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.

The board of Trustees is responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Companies Act 2006. The board of Trustees is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Public benefit

In accordance with section 17 of the Charities Act 2011 the Trustees confirm that they have had regard to the

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Charity Commission's guidance in relation to public benefit. The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning the Charity's future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives they have set.

Trustees' declaration

So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board of Trustees and signed on its behalf by:



David Montgomery
Chairman

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Statement of Trustees' Responsibilities

The trustees acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Ace Africa (UK)

Independent Auditor's Report

To the members of Ace Africa UK

Opinion

We have audited the financial statements of Ace Africa UK for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'(United Kingdom Generally Accepted Accounting Practice).

Basis of 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The 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, except to the extent otherwise explicitly stated in our report, 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.

Ace Africa (UK)

Independent Auditor's Report

To the members of Ace Africa UK

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, 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 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Ace Africa (UK)
Independent Auditor's Report
To the members of Ace Africa UK

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs at 31 December 2018 and of its net income for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006.



.....
Robert Kirkland
For and on behalf of Critchleys Audit LLP, Statutory Auditor

Beaver House
23 - 38 Hythe Bridge Street
Oxford
OX1 2EP

Date:.....*14/8/2019*

Ace Africa (UK)
Statement of Financial Activities
(Incorporating an income and expenditure account)
For the year ended 31 December 2018

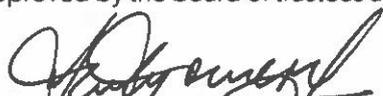
		Unrestricted	Restricted	12 Months Total	12 Months
		Funds	Funds	Funds	Total
		2018	2018	2018	2017
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies	2	144,780	519,511	664,291	884,047
Charitable activities - events		167,763	-	167,763	41,113
Investments		13	-	13	16
Other - gifts in kind		50,000	-	50,000	50,000
Total income and endowments		<u>362,556</u>	<u>519,511</u>	<u>882,067</u>	<u>975,176</u>
Expenditure on:					
Charitable activities					
Support of Ace Africa programmes	3	134,360	559,177	693,537	870,303
Governance Costs	3	5,833	-	5,833	5,025
				-	-
Raising funds					
Fundraising and Grant Application Costs	3	134,314	-	134,314	147,711
Event Costs	3	70,316	-	70,316	7,778
Other	3	50,000	-	50,000	50,000
Total expenditure		<u>394,823</u>	<u>559,177</u>	<u>954,000</u>	<u>1,080,817</u>
Net income/(expenditure)		(32,267)	(39,666)	(71,933)	(105,641)
Reconciliation of funds					
Total funds brought forward		58,205	103,230	161,435	267,076
Total funds carried forward	7	<u>25,938</u>	<u>63,564</u>	<u>89,502</u>	<u>161,435</u>

The statement of financial activities includes all gains and losses in the year. All income and expenditure derives from continuing activities.

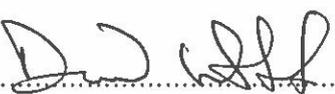
Ace Africa (UK)
Balance Sheet
As at 31 December 2018

	Notes	2018 £	2017 £
Current Assets			
Debtors	5	22,860	23,815
Cash at Bank and in Hand		<u>75,248</u>	<u>145,229</u>
		98,108	169,044
Creditors: Amounts falling due within one year	6	<u>(8,606)</u>	<u>(7,609)</u>
Net Current Assets		89,502	161,435
Net Assets		<u>89,502</u>	<u>161,435</u>
Unrestricted Funds			
General Funds		25,938	58,205
Restricted Funds	7	<u>63,564</u>	<u>103,230</u>
Total Funds	10	<u>89,502</u>	<u>161,435</u>

Approved by the board of trustees and authorised for issue and signed on its behalf by:



 David Montgomery - Chairman
 29/07/2019



 David Whitworth - Treasurer
 29/07/2019

Registered Charity Number 1111283
 Company Number 472618

Ace Africa (UK)
Cash flow statement
For the year ended 31 December 2018

	2018	2017
	Total funds	Total funds
	£	£
Cash flows from operating activities:		
Net cash provided (used in) operating activities (reconciliation below)	(69,982)	(63,301)
Change in cash and cash equivalents in the reporting period	(69,982)	(63,301)
Cash and cash equivalents at the beginning of the reporting period	<u>145,229</u>	<u>208,530</u>
Cash and cash equivalents at the end of the reporting period	<u><u>75,247</u></u>	<u><u>145,229</u></u>
 Reconciliation of net income/(expenditure to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(71,934)	(105,641)
Adjustments for:		
(Increase)/decrease in debtors	955	42,169
Increase/(decrease) in creditors	997	171
Net cash provided by (used in) operating activities	<u><u>(69,982)</u></u>	<u><u>(63,301)</u></u>

Ace Africa (UK)

Cash flow statement

For the year ended 31 December 2018

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements of the public benefit entity have been prepared in accordance with all applicable accounting standards, FRS102, the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" revised 2015 (FRS102) and the Companies Act.

b) Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity.
- Restricted funds are subject to restrictions on their expenditure imposed by the fund provider.

c) Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of grants, donations, sponsorships and gifts and are included in full in the Statement of Financial Activities when receivable. Grants where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes entitled to the grant.
- Donated facilities and services are measured on the basis of the value of the gift to the charity, being the value that the charity would pay in an open market for an alternative item that would provide a benefit to the charity equivalent to the donated item. The value of services provided by volunteers has not been included in these accounts. Investment income is included when receivable.

d) Expenditure

Expenditure is recognised on an accrual basis as liabilities are incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Grants payable comprises amounts paid to the institutions within Africa that deliver the services for the beneficiaries. These costs are recognised when paid or if earlier when a constructive obligation to make the grant arises. These are indicated in the SOFA
- Costs of generating funds include those costs incurred which relate to fundraising or organisation of events.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked with the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly. Others are apportioned as set out in note 3.

e) Grant making policy

The charity's grant making policy is outlined in the Trustees' Report.

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Cash flow statement
For the year ended 31 December 2018

2. Donations and legacies

	Unrestricted	Restricted	Total 2018	Total 2017
	£	£	£	£
Sponsor Donations	-	-	-	-
Restricted Donations	-	519,511	519,511	672,704
General Donations	144,780	-	144,780	211,343
	<u>144,780</u>	<u>519,511</u>	<u>664,291</u>	<u>884,047</u>
Other				
In kind - use of office space	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>

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3. Expenditure

	Costs of charitable activity	Fundraising and grant applications	Event costs	Governance costs	In kind expenses	Total 2018	Total 2017
	£	£	£	£	£	£	£
Support of Ace Africa Programmes							
Ace Africa (Kenya) - Unrestricted Grants	57,590	-	-	-	-	57,590	100,769
Ace Africa (Tanzania) - Unrestricted Grants	46,770	-	-	-	-	46,770	53,145
Programme costs paid in UK - Unrestricted	30,000	-	-	-	-	30,000	20,953
	134,360	-	-	-	-	134,360	174,867
Ace Africa (Kenya) - Restricted Grants	236,572	-	-	-	-	236,572	287,122
Ace Africa (Tanzania) - Restricted Grants	282,109	-	-	-	-	282,109	349,302
Programme costs paid in UK - Restricted	17,033	-	-	-	-	17,033	51,601
Conjoint Projects	23,463	-	-	-	-	23,463	7,411
	559,177	-	-	-	-	559,177	695,436
Cost of Generating Funds							
Staff costs - general fundraising	-	163,556	-	-	-	163,556	98,982
Volunteers & interns	-	370	-	-	-	370	-
Bank charges	-	1,861	-	-	-	1,861	4,712
Postage	-	895	-	-	-	895	709
Stationery	-	131	-	-	-	131	327
Telephone	-	16	-	-	-	16	-
Travel	-	2,901	-	-	-	2,901	5,855
Media Costs	-	9,539	-	-	-	9,539	9,066
Training and development	-	50	-	-	-	50	295
Direct fundraising costs	-	1,887	-	-	-	1,887	15,147
Miscellaneous costs	-	1,720	-	-	-	1,720	85
IT & website costs	-	148	-	-	-	148	863
Rent	-	-	-	-	50,000	50,000	50,000
Support costs allocated to restricted grants	-	(49,029)	-	-	-	(49,029)	-
Recruitment fees	-	270	-	-	-	270	11,670
Event Costs	-	-	70,316	-	-	70,316	7,778
Insurance Costs	-	-	-	1,453	-	1,453	1,425
Audit Fee	-	-	-	4,380	-	4,380	3,600
TOTAL	693,537	134,314	70,316	5,833	50,000	954,000	1,080,817

Staff Costs are allocated between costs of general fundraising and of administering restricted grants by reference to time spent.

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4. Trustees' Remuneration, Expenses and Donations

Neither the Trustees nor any persons connected with them have received any remuneration, reimbursed expenditure or other benefits

Donations to the charity within the year from Trustees totalled £3,000 (2017: £25,000).

5. Debtors

	2018	2017
	£	£
Other debtors	19,135	4,856
Prepayments	1,425	1,453
Accrued income - Gift Aid	<u>2,300</u>	<u>17,506</u>
	<u><u>22,860</u></u>	<u><u>23,815</u></u>

6. Creditors

	2018	2017
	£	£
Accruals	4,000	4,200
Creditors within one year	1,000	2,812
Other creditors	<u>3,606</u>	<u>597</u>
	<u><u>8,606</u></u>	<u><u>7,609</u></u>

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7. Movement in Restricted Funds

Fund Details	Brought Forward 01/01/2018 £	Income £	Expenditure £	Carried Forward 31/12/2018 £
Ace Africa, Counsellor, Bungoma, Kenya	270	45	-	315
Ace Future Stars, Child Development, Arusha, Tanzania	7,929	11,030	11,770	7,189
Alumni/Bursary Funds, Kenya	4,887	2,606	2,608	4,885
Emergency Fund, Kenya & Tanzania	2,138	3,332	-	5,470
General Disaster Fund, Kenya & Tanzania	2,280	-	-	2,280
Got Matar & Siaya 10k run, Siaya, Kenya	3,954	12,908	14,690	2,172
Community Development, Arusha & Moshi, Tanzania	-	66,000	66,000	-
Rosie Dwyer Fund, Bungoma, Kenya	411	647	-	1,058
Sanitary Pads, Siaya & Bungoma, Kenya	-	23,673	23,673	-
Southend & Alumni, Bungoma, Kenya	-	39,632	39,632	-
The Amani Child Development Centre, Siaya, Kenya	343	-	-	343
Truck Fund, Kenya & Tanzania	1,263	-	-	1,263
Pire memorial Fund, Bungoma, Kenya	-	779	858	79
Donations for school & Homes, Kenya	-	4,000	3,900	100
Community Livelihoods Initiative, Kome, Tanzania	-	20,000	20,000	-
Child Development, Arusha, Tanzania	1,936	-	-	1,936
Community Development, Moshi, Tanzania	15,000	-	15,000	-
Community Livelihoods Initiative, Arusha, Tanzania	-	60,585	60,585	-
Community Livelihoods Initiative, Siaya, Kenya	-	31,693	31,693	-
Community Health & Wellbeing, Arusha, Tanzania	-	59,682	59,682	-
Ace Future Stars Football League-Tanzania	-	28,101	28,101	-
Counsellor Child Development-Arusha, Tanzania	-	8,287	8,287	-
Women's Rights, Child Dev, Siaya, Kenya	9,073	-	9,073	-
Child Development, Migori, Kisumu, Kenya	-	54,656	54,648	8
Conjoint project, Community Livelihood Initiative, Kenya	11,084	24,413	24,412	11,085
Community Livelihoods, Homa Bay, Kenya	453	-	-	453
Encouragement Grant-Kenya & Tanzania	3,275	-	2,722	553
Child Development, Vihiga & Homa Bay-Kenya	3,934	-	37,032	1,902
Community Livelihoods, Kisumu, Kenya	-	1,000	1,000	-
Facilitating long term sustainable organisational development - UK, Kenya & Tanzania	-	57,693	35,811	21,882
Child to Child clubs & Communications, Kenya & Tanzania	-	8,000	8,000	-
Counsellor Salary-Kenya	-	750	-	750
	103,230	519,511	559,177	63,564

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8. Taxation

As a charity, Ace Africa (UK) is exempt from tax on income and gains as specified by the Income Tax Act 2007 and s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

9. Net income / expenditure for the year

	2018	2017
	£	£
This is stated after charging		
Auditor's remuneration - current year	4,000	4,000
Under provision for previous year	<u>380</u>	<u>(400)</u>
	<u><u>4,380</u></u>	<u><u>3,600</u></u>

10. Analysis of net assets between funds

Fund balances at 31 December 2018 are represented by :	Unrestricted	Restricted	Totals
	£	£	£
Net current assets/ (liabilities)	<u>25,938</u>	<u>63,563</u>	<u>89,501</u>

11. Employees

	2018	2017
	£	£
Total gross wages & employer's national insurance	163,556	127,956
Social security costs		6,693
Employer's contributions to defined benefit pension schemes	<u>1,137</u>	<u>1,137</u>
	<u><u>163,556</u></u>	<u><u>135,786</u></u>
Staff costs above include remuneration paid to key management personnel, comprising the UK Country Director, amounting to:	<u>60,000</u>	<u>60,000</u>
Average number of employees during year	<u>4</u>	<u>4</u>

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There were no employees with emoluments above £60,000 (2017: nil)

12. Company limited by Guarantee

Ace Africa (UK) is a Company Limited by Guarantee and every Trustee has undertaken to contribute such amount as may be required, not exceeding £10, to the Company's assets should it be wound up.

The registered office of the Company is The St Botolph Building, 183 Houndsditch, London, EC3A 7AG.

13. Related party transactions

There were no related party transactions within the reporting period.



Ace Africa

Developing Communities