

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 2018

GREAT LAKES OUTREACH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Robert Sturgess Stephen White Paul Smith Charlotte Hutchinson Gavin Howard Mark Hopper Justin Hill	(Appointed 9 March 2018)
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

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GREAT LAKES OUTREACH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

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 2018.

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 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 2015).

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;
- 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;
- 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 2018

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;
- 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 plan to settle 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 2018

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 supports staff salaries and funds reconciliation initiatives.

Partners Trust International - The Charity provides funding for salaries and a broad base of activities. Land was eventually acquired 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 2018

Financial review

The Charity's income from donations increased during the year, up from £966,109 in 2017 to £1,079,749 in the current year, giving a rise in total income from £971,672 to £1,089,601. Expenditure decreased during the year from £1,075,940 in 2017 to £1,029,448 in the current year. At the end of the year the Charity held total funds of £721,446 (2017: £661,854). This is comprised of restricted funds of £67,966 (2017: £30,466) and unrestricted funds of £653,480 (2017: £631,388). Of unrestricted funds available, £571,576 (2017: £222,000) represent designated funds, leaving available reserves after deduction of fixed assets of £53,480 (2017: £378,171).

During the year the Trustees agreed to designate £500,000 to the work of KCC. Whilst available reserves have decreased against the prior year because of the designation, the Trustees consider that reserves at this level are sufficient to meet four months operating expenses, and should a significant drop in funding occur, would enable the Charity to continue current activities while consideration is given to ways in which additional funds may be raised. Details of each fund are provided within the notes to the accounts.

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 2018

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

(Appointed 9 March 2018)

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: 29 August 2019

GREAT LAKES OUTREACH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2018

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 2018 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 2018 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 the provisions available for small entities, 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

20 September 2019

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 2018

Current financial year

		Unrestricted funds general 2018 £	Unrestricted funds designated 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
	Notes					
Income from:						
Donations and legacies		771,622	-	308,127	1,079,749	966,109
Commercial trading operations	3	7,552	-	-	7,552	3,288
Investments	4	2,300	-	-	2,300	2,275
Total income		781,474	-	308,127	1,089,601	971,672
Expenditure on:						
Raising funds	5	7,927	-	6,400	14,327	12,915
Charitable activities	6	600,470	150,424	264,227	1,015,121	1,063,025
Total resources expended		608,397	150,424	270,627	1,029,448	1,075,940
Net incoming/(outgoing) resources before transfers		173,077	(150,424)	37,500	60,153	(104,268)
Gross transfers between funds		(500,000)	500,000	-	-	-
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(326,923)	349,576	37,500	60,153	(104,268)
Other recognised gains and losses						
Other gains or losses	11	(561)	-	-	(561)	20,385
Net movement in funds		(327,484)	349,576	37,500	59,592	(83,883)
Fund balances at 1 January 2018		409,388	222,000	30,466	661,854	745,737
Fund balances at 31 December 2018		81,904	571,576	67,966	721,446	661,854

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 2018

Prior financial year

	Notes	Unrestricted funds general 2017 £	Unrestricted funds designated 2017 £	Restricted funds 2017 £	Total 2017 £
<u>Income from:</u>					
Donations and legacies		769,476	-	196,633	966,109
Commercial trading operations	3	3,288	-	-	3,288
Investments	4	2,275	-	-	2,275
Total income		775,039	-	196,633	971,672
<u>Expenditure on:</u>					
Raising funds	5	12,915	-	-	12,915
Charitable activities	6	747,462	-	315,563	1,063,025
Total resources expended		760,377	-	315,563	1,075,940
Net incoming/(outgoing) resources before transfers		14,662	-	(118,930)	(104,268)
Gross transfers between funds		(222,000)	222,000	-	-
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(207,338)	222,000	(118,930)	(104,268)
<u>Other recognised gains and losses</u>					
Other gains or losses	11	20,385	-	-	20,385
Net movement in funds		(186,953)	222,000	(118,930)	(83,883)
Fund balances at 1 January 2017		596,341	-	149,396	745,737
Fund balances at 31 December 2017		409,388	222,000	30,466	661,854

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 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	12		28,424		31,217
Programme related investments	13		43,965		-
			<u>72,389</u>		<u>31,217</u>
Current assets					
Stocks	14	2,351		838	
Debtors	15	50,776		95,269	
Cash at bank and in hand		607,820		542,159	
		<u>660,947</u>		<u>638,266</u>	
Creditors: amounts falling due within one year	16	(11,890)		(7,629)	
Net current assets			649,057		630,637
Total assets less current liabilities			<u>721,446</u>		<u>661,854</u>
Income funds					
Restricted funds	17		67,966		30,466
Unrestricted funds - designated			571,576		222,000
Unrestricted funds - general			81,904		409,388
			<u>721,446</u>		<u>661,854</u>

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 2018, 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 29 August 2019

Paul Smith
Trustee

Company Registration No. 4686283

GREAT LAKES OUTREACH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		63,361		(63,449)
Investing activities					
Purchase of tangible fixed assets		-		(2,127)	
Interest received		2,300		2,275	
Net cash generated from investing activities			2,300		148
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			65,661		(63,301)
Cash and cash equivalents at beginning of year			542,159		605,460
Cash and cash equivalents at end of year			607,820		542,159

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. 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 2018

1 Accounting policies (Continued)

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 2018

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 2018 £	Unrestricted funds general 2017 £
Sale of books and CDs	7,552	3,288

4 Investments

	Unrestricted funds general 2018 £	Unrestricted funds general 2017 £
Interest receivable	2,300	2,275

5 Raising funds

	Unrestricted funds general 2018 £	Restricted funds 2018 £	Total 2018 £	Unrestricted funds general 2017 £
- Seeking donations, grants and legacies	4,586	6,400	10,986	10,342
Other fundraising costs	3,341	-	3,341	2,573
	<u>7,927</u>	<u>6,400</u>	<u>14,327</u>	<u>12,915</u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Raising funds

(Continued)

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

A fundraising event at Harrow School, raising £21,200.

A Rwanda cycle tour, raising £34,274.

6 Charitable activities

	Charitable Activities in Burundi 2018 £	Charitable Activities in Burundi 2017 £
Staff costs	60,285	43,385
Depreciation	536	556
Direct charitable activities	32,058	60,964
	<u>92,879</u>	<u>104,905</u>
Grant funding of activities (see note 7)	810,332	864,166
Share of support costs (see note 8)	105,766	90,954
Share of governance costs (see note 8)	6,144	3,000
	<u>1,015,121</u>	<u>1,063,025</u>
Analysis by fund		
Unrestricted funds - general	600,470	747,462
Unrestricted funds - designated	150,424	-
Restricted funds	264,227	315,563
	<u>1,015,121</u>	<u>1,063,025</u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

7 Grants payable

	Charitable Activities in Burundi 2018 £	Charitable Activities in Burundi 2017 £
Grants to institutions (47 grants):		
Scripture Union	72,995	67,314
Youth for Christ Burundi	121,423	64,689
Partners Trust International	19,326	37,521
Harvest for Christ	20,496	62,628
Evangelism Explosion	50,135	53,682
New Generation	51,652	36,736
Union Des Groupes Bibliques Du Burundi (UGBB)	8,068	8,626
APRID	28,453	25,911
Burundi Bio Agricultural Communities	9,595	26,236
Bravo Ministries	8,468	7,680
Kings Conference Centre (Scripture Union)	151,964	197,538
Christian Initiatives for Peace (Various)	63,066	77,718
Bosco Pastor Training	41,640	-
Bible Society	22,287	-
Other	70,358	102,392
	<u>739,925</u>	<u>768,671</u>
Grants to individuals (40 grants)	70,407	95,495
	<u>810,332</u>	<u>864,166</u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

8 Support costs

	Support costs	Governance costs	2018	Support costs	Governance costs	2017
	£	£	£	£	£	£
Staff costs	70,933	-	70,933	50,605	-	50,605
Depreciation	2,258	-	2,258	2,358	-	2,358
UK office administration	32,575	-	32,575	37,991	-	37,991
Audit fees	-	6,144	6,144	-	3,000	3,000
	<u>105,766</u>	<u>6,144</u>	<u>111,910</u>	<u>90,954</u>	<u>3,000</u>	<u>93,954</u>
Analysed between						
Charitable activities	<u>105,766</u>	<u>6,144</u>	<u>111,910</u>	<u>90,954</u>	<u>3,000</u>	<u>93,954</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 £2,644 (2017 - £1,500) and audit fees of £3,500 (2017 independent examination - £1,500).

9 Trustees

No Trustee or any person connected with them received remuneration or expenses during the year (2017 - £41,363 received by a connected party). Total donations received without conditions from Trustees and entities controlled by Trustees during the year were £2,000 (2017 - £2,580). Donations were received with the following restrictions during the year:

YFC	£480
GLO Event	£650
Bosco Pastors	£10,000
PTI	£2,500

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2018	2017
	Number	Number
Burundi	2	1
United Kingdom	3	2
	<u>5</u>	<u>3</u>

Employment costs

	2018	2017
	£	£
Wages and salaries	123,494	80,093
Social security costs	7,724	13,897
	<u>131,218</u>	<u>93,990</u>

During the year, £60,285 (2017 - £41,363) was paid to key management personnel, which constitutes the total remuneration of key management personnel. The Charity received restricted donations for one member of key management personnel totalling £4,958 (2017 - £5,199). The Charity paid £7,405 of these (2017 - £10,573) in the year which, including the balance brought forward, gave rise to a balance carried forward at the year end of nil (2017 - £2,448).

The average number of staff employed during 2018 was three full time in Burundi (2017 - one), and two full time in UK (2017 - two). An additional member of staff worked on a part time basis in the UK (2017 - nil).

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

11 Other gains or losses

	Unrestricted	Unrestricted
	funds	funds
	general	general
	2018	2017
	£	£
Foreign exchange gains	561	(20,385)
	<u>561</u>	<u>(20,385)</u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

12 Tangible fixed assets

	Land and buildings	Website	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2018	33,907	6,640	12,122	52,669
At 31 December 2018	33,907	6,640	12,122	52,669
Depreciation and impairment				
At 1 January 2018	6,323	5,312	9,817	21,452
Depreciation charged in the year	379	1,328	1,086	2,793
At 31 December 2018	6,702	6,640	10,903	24,245
Carrying amount				
At 31 December 2018	27,205	-	1,219	28,424
At 31 December 2017	27,584	1,328	2,305	31,217

13 Programme related investments

	Loans £
At 1 January 2018	-
Reclassification	43,965
At 31 December 2018	43,965

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. In 2017, these loans were classified as debtors (2017: £40,276).

14 Stocks

	2018 £	2017 £
Finished goods and goods for resale	2,351	838

The amount of inventories expensed during the year was £3,341 (2017: £2,573).

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

15 Debtors	2018	2017
	£	£
Amounts falling due within one year:		
Other debtors	50,776	95,269
	<u> </u>	<u> </u>
16 Creditors: amounts falling due within one year	2018	2017
	£	£
Accruals and deferred income	11,890	7,629
	<u> </u>	<u> </u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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			Balance at 31 December 2018
	Balance at 1 January 2017	Incoming resources	Resources expended	Balance at 1 January 2018	Incoming resources	Resources expended	
	£	£	£	£	£	£	£
Youth for Christ - various projects	901	59,920	(60,803)	18	86,719	(86,687)	51
Harvest for Christ - various projects	252	13,316	(13,549)	20	5,983	(5,963)	40
Kings Conference Centre	120,910	1,300	(122,210)	-	20,496	(1,540)	18,956
Scripture Union	-	9,778	(9,778)	-	85,836	(66,969)	18,867
New Generation	75	12,891	(12,966)	-	5,413	(5,413)	-
Christmas fund	4,336	8,394	(4,336)	8,394	-	-	8,394
BBAC	-	13,447	(13,447)	-	5,050	(5,050)	-
Bravo Ministries	-	7,380	(7,380)	-	6,000	(6,000)	-
Partners Trust International	44	6,670	(6,640)	74	9,116	(9,190)	-
APRID	17,183	29,340	(33,971)	-	10,000	(10,000)	-
Bosco Partner Training	5,695	34,197	(30,483)	36	26,100	(26,100)	36
Individual specific recipients	-	-	-	12,552	25,220	(26,461)	11,310
Other institutions	-	-	-	9,372	22,195	(21,256)	10,311
	<u>149,396</u>	<u>196,633</u>	<u>(315,563)</u>	<u>30,466</u>	<u>308,127</u>	<u>(270,628)</u>	<u>67,966</u>

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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				
	Funds transferred ¹ 2017	Balance at January 2018	Incoming resources	Resources expended	Balance at 31 December 2018
	£	£	£	£	£
Kings Conference Centre	222,000	222,000	500,000	(150,424)	571,576
	<u>222,000</u>	<u>222,000</u>	<u>500,000</u>	<u>(150,424)</u>	<u>571,576</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 £150,424 to KCC for phase two development works.

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

20 Analysis of net assets between funds

	Unrestricted funds 2018 £	Designated funds 2018 £	Restricted funds 2018 £	Total 2018 £	Unrestricted funds 2017 £	Designated funds 2017 £	Restricted funds 2017 £	Total 2017 £
Fund balances at 31 December 2018 are represented by:								
Tangible assets	28,424	-	-	28,424	31,217	-	-	31,217
Programme related assets	43,965	-	-	43,965	-	-	-	-
Current assets/(liabilities)	9,515	571,576	67,966	649,057	378,171	222,000	30,466	630,637
	<u>81,904</u>	<u>571,576</u>	<u>67,966</u>	<u>721,446</u>	<u>409,388</u>	<u>222,000</u>	<u>30,466</u>	<u>661,854</u>

Within current assets is restricted cash of £62,875 (2017 - 16,832) which cannot be used for the general purposes of the Charity, as well as funds that have designated by the Trustees totalling £571,576 (2017 - £222,000).

GREAT LAKES OUTREACH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

21 Related party transactions

With the exception of 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 £29,028, with a grant made on behalf of GLO US totalling £1,724.

22 Cash generated from operations	2018	2017
	£	£
Surplus/(deficit) for the year	60,153	(104,268)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,300)	(2,275)
Foreign exchange differences	(561)	20,385
Depreciation and impairment of tangible fixed assets	2,793	2,914
Movements in working capital:		
(Increase)/decrease in stocks	(1,513)	96
Decrease in debtors	528	17,097
Increase in creditors	4,261	2,602
Cash generated from/(absorbed by) operations	63,361	(63,449)