



A.C.T.
(AFRICAN CHILD TRUST)

**REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 APRIL 2004

INDEPENDENT EXAMINER

Ms. FIONA YOUNG, MSc, ACA
56 Churchill Road
South Croydon
Surrey
CR2 6HA

A.C.T.

(African Child Trust)

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(African Child Trust)

GENERAL INFORMATION

TRUSTEES: **DR. K. ONABOLU-CHAIRMAN**
C. PARKER
B. AJAYI

ADDRESS: **12A BRIGHTON ROAD**
PURLEY
SURREY
CR8 3AA

BANKERS: **HSBC BANK PLC**
42 CHIPSTEAD VALLEY ROAD
COULSDON
SURREY
CR5 2RA

CHARITY REGISTRATION NO: **1074911**

INDEPENDENT EXAMINER: **Ms FIONA YOUNG**

A.C.T.

(African Child Trust)

TRUSTEES' REPORT FOR THE YEAR ENDED 30 APRIL 2004

A.C.T. (Africa Child Trust) is constituted by Deed of Trust and is a registered Charity, No.1074911. Its address is at 12a Brighton Road, Purley, Surrey CR8 3AA. The Charity Trustees during the year ended 30 April 2004 were:

Dr. K. Onabolu-Chairman
C. Parker
B. Ajayi

A.C.T. (Africa Child Trust) is a Christian charity. The object of the Charity is to support the children of widows and orphans in Africa, enabling them to achieve their full potential in life, so that they can support their families and contribute to the overall well being and development of their communities. This is one way to break the cycle of poverty that will prevail otherwise. Trustees stand for re-election every three years and are re-appointed by resolution of the trustees passed at a special meeting. During the year, P Motteram resigned as trustee.

The Charity raises funds from donors in order to provide financial support for the education of the children of widows and orphans. The funds are channelled through our partners, who are local Christian churches or Other Christian organisations based in communities within countries of Africa. These organisations are the partners who implement the objectives of the Charity in the local communities in Africa where A.C.T. works.

Statement of Trustees' responsibilities:

Charity 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. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Results for the year:

In the past year A.C.T. has continued to take several significant strides in our objective to support the education of children of widows and orphans in communities in Africa. Our aim is to enable these children achieve their full potential in life, to contribute to the overall well-being and prosperity of their families and alleviate poverty in their communities.

Sponsored Children

The work of A.C.T. is expanding. As at the year end A.C.T. had been supporting two hundred and thirty children and a number of widowed mothers. This compares with one hundred and forty five in the same period in 2003

Countries of Operation

A.C.T. is operating through ten churches and Christian organisations in 4 countries of Africa, namely Zambia, Burkina Faso, Nigeria and Tanzania. We are working with five partners in Zambia, two in Burkina Faso, two in Nigeria and one in Tanzania.

Donors

Our donor base continues to expand and now include ten UK Churches who have adopted A.C.T. as part of their missionary support. During the year, a professional fundraiser was retained to develop Grant fundraising. We have also received grants from UK Trusts and other organisations. This is in addition with our expanding base of individual donors who form the core of the Child Sponsorship Programme (CSP). The Trustees are grateful to all donors who provided funding during the year in support of the Charity. The Trustees would like to acknowledge the following organisations who made grants and donations during the financial year;

Awards For All	New Life Christian Centre (NLCC)
Croydon Voluntary Action (CVA)	Chiltern Church
Charities Aid Foundation (CAF)	Elim Pentecostal Church, Croydon
Spring Harvest	Wales AOG, Bangor
Singer Foundation	St George's Church, Waterlooville
Marley Building Materials	RCCG Hebron Court, Croydon Tabernacle RCCG The Sanctuary Jubilee International Church

Missions Visits

During the year, there visits to Zambia Tanzania and Nigeria to oversee the projects and developments in these countries.

Staff

The work of the Charity in the UK continues to be entirely managed by volunteers. ACT does not currently employ any paid staff in the UK. In the past year, the ACT chair of trustees has worked all or part of 4 days a week as Director of the Charity. ACT employs the services of a volunteer Administrator, who works 3 days a week and is also unpaid. However it is hoped that this situation will change in the near future when the Charity becomes more financially stable and is able to employ paid staff. The net value contribution of these two key personnel to the charity is estimated at £60,000 taking their qualifications and experience into consideration.

Internal Controls

The Trustees continue to uphold and improve on the charity's system of internal control procedures and accounting procedures to enhance funds accountability. The trustees would also like to thank the several volunteers who have contributed to the operation of the charity during the year.

Future Plans

- Expand child sponsorship support particularly to those who have suffered the loss of one or two parents from Aids/HIV
- Consolidate in the four Countries where ACT is working
- Develop and implement business skills training programme to all widows and school leavers in Burkina Faso, Zambia and Tanzania
- Develop and implement strategies to strengthen and impact ACT within communities through collaboration with local government, links with schools and publicity campaign
- Develop and implement strategies for local fundraising in countries where ACT works

Committees

During the year, the operational aspect of the Charity was reviewed and as a result of this, two committees (Finance and Prayer) have been set.

Financial information

The Charity's financial activities are set out on pages 6 and 7. The Charity's income during the year amounted to £60,015 and the split as follows:

Donations -Child Sponsorship (CSP) and Gifts	£ 22,848
Grants and Corporate Donors (Unrestricted)	£6,340
Grants and Corporate Donors (Restricted)	£8,125
Donations- Missions Visits	£5,000
Fundraising Events	£13,943
Tax reclaim	£2,628
Others	£820
Bank interest	£ 311
Other receipts	£820

Reserves

The Trustees are aware of the need to ensure that there are adequate funds to support sponsored children throughout their primary and secondary education once support has started. In some cases this can mean that ACT is committed to provide support, for up to eleven years. This therefore is reflected in the level of fund balance maintained in the bank account. There is a cash reserves policy in place that ensures that at least eight month funds are retained for children not under the child sponsorship programme (CSP) and four months for those under the child supported within the programme.

Under the Charities Act 1993 and the Charities (Accounts and Reports) Regulations 1995 there is no requirement for the Charity's accounts to be audited and the Trustees have availed this exemption. .

ON BEHALF OF THE TRUSTEES:

Dr. K. Onabolu -Chairman

C. Parker

B.Ajayi

Date: 2004

A.C.T.

(African Child Trust)

Independent Examiners Report to the Trustees of A.C.T. (African Child Trust)

I report on the accounts of the Trust for the year ended 30 April 2004, which are set out on pages 6 to 8.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's trustees consider an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43 (3) (a) of the 1993 Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43 (7) (b) of the 1993 Act; and
- state whether particular matters have come to my attention.

Basis of independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 1993 Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Ms. FIONA YOUNG, MSc, ACA
56 Churchill Road
South Croydon
Surrey
CR2 6HA

Date: _____ 2004

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RECEIPTS AND PAYMENTS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2004

	Unrestricted	Restricted	TOTAL 2004	TOTAL 2003
	£	£	£	£
INCOMING RECEIPTS				
Donations-Child Sponsorship (CSP) and Gifts	22,848	-	22,848	24,052
Donations-Missions Visits	5,000	-	5,000	5,000
Grants and Corporate Donors	6,340	8,125	14,465	-
Fundraising Events	13,943	-	13,943	-
Interest Received	311	-	311	103
Other receipts	820	-	820	-
Tax Reclaim	<u>2,628</u>	<u>-</u>	<u>2,628</u>	<u>4,208</u>
Total Receipts	<u>51,890</u>	<u>8,125</u>	<u>60,015</u>	<u>33,363</u>
 PAYMENTS				
Direct Charitable Expenditure				
Child Sponsorship Programme (CSP)	25,584	-	25,584	16,104
Missions Visits and associated costs	3,728	-	3,728	3,776
Other Expenditure:				
Fundraising costs	3,106	1,616	4,722	-
Printing, Postage & Stationery	869	515	1,384	1,004
Travel & subsistence	234	-	234	5
Telephone, Internet and website cost	1,237	-	1,237	1,487
Marketing, entertainment and related expenses	66	153	219	309
Office Rent	1,728	-	1,728	1,728
Insurance	183	-	183	182
Purchase of computer & printer	-	576	576	1,084
Repairs & maintenance	-	-	-	267
Conference cost	326	380	706	-
Sundry	223	-	223	-
Bank charges & interest	<u>168</u>	<u>-</u>	<u>168</u>	<u>90</u>
Total Payments	<u>37,452</u>	<u>3,240</u>	<u>40,692</u>	<u>26,036</u>
Net receipts for the year	14,438	4,885	19,323	7,327
Cash Fund balances at 30 April 2003	<u>22,428</u>	<u>-</u>	<u>22,428</u>	<u>15,101</u>
Cash Fund balances at 30 April 2004	<u>£36,866</u>	<u>4,885</u>	<u>£41,751</u>	<u>£22,428</u>

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STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 APRIL 2004

			2004	2003
MONETARY ASSETS:	General Purpose Funds	Restricted Funds	TOTAL	TOTAL
	£	£	£	£
Bank & Cash balances:				
Bank current account	9,858	4,885	14,743	3,757
Bank deposit account	26,960	-	26,960	18,671
Petty cash	<u>48</u>	<u>-</u>	<u>48</u>	<u>-</u>
Total	<u>£36,866</u>	<u>4,885</u>	<u>£41,751</u>	<u>£22,428</u>

Restricted Funds:

Awards for All	4,675
CVA	-
CAF	<u>210</u>
	<u>£4,885</u> (see Note 5)

Other Monetary Assets:

	2004		2003
	£		£
Debtors: Tax credits	3,563		791
Deposit- rent and keys	270		270
Overseas currencies held	240		155
Petty cash	<u>-</u>		<u>28</u>
	<u>£4,073</u>		<u>£1,244</u>

APPROVED BY THE TRUSTEES ON _____ 2004 AND SIGNED ON THEIR BEHALF BY:

Dr. K. Onabolu –Chairman

C. Parker

B. Ajayi

A.C.T.

(African Child Trust)

NOTES TO THE FINANCIAL STATEMENTS FOR

THE YEAR ENDED 30 APRIL 2004

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards, and the Charities Accounting Statement of Recommended Practice (SORP).

- a) Income is accounted for on a receipts basis. This includes donation, interest and tax reclaim.
- b) Direct charitable expenditure includes the direct costs of the charity's activities.

2. TRUSTEE REMUNERATION

The trustees received no remuneration.

3. STAFF REMUNERATION

No salary or allowance was paid to the two volunteer staff.

4. DESIGNATED FUNDS

The trustees have set aside funds from a donor which although is a part of the Charity's unrestricted fund has been set aside for travels to Africa to visit the partners, sponsored children and widows and for other related costs associated with these visits. During the year, an amount of £5,000 received from New Life Christian Centre (NLCC) for this purpose was set-aside. During the year, there were trips to Zambia Tanzania and Nigeria to oversee the on-going development work in these countries.

5. RESTRICTED FUND

Restricted funds are for the following purposes:

Awards for All

The grant has been awarded for fees for the production of presentation materials, visual display equipment, leaflets and publications, volunteer expenses, video production and posters and photographs for the link programme.

CVA Community Chest Fund

Croydon Voluntary Action (CVA) awarded the grant for the Community Outreach project. The grant was utilised for design and printing of flyers, organise open day, purchase computer with software, training in information technology, produce display materials and purchase display board, and produce and print newsletter.

CAF

Charities Aid Foundation (CAF) grant is for staff to attend selected fundraising courses forming part of The Fundraising Programme run by the Directory of Social Change. Since the year-end the un-expended amount of £210 has been repaid.