



A.C.T.
(AFRICAN CHILD TRUST)

**REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 APRIL 2005

INDEPENDENT EXAMINER

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

A.C.T.

(African Child Trust)

INDEX TO THE FINANCIAL STATEMENTS

	Page
General Information	1
Trustees' Report	2
Independent Examiner's Report	5
Receipts and Payments Account	6
Statement of Assets & Liabilities	7
Notes to the Financial Statements	8

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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 2005

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 2005 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.

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.

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:

We have continued to take significant strides in the objective to support the education of children of widows and orphans 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 to alleviate poverty in their communities.

Sponsored Children

The work of A.C.T. is expanding. As at the year end A.C.T. support had reached three hundred and fifty six children and a large number of widowed mothers as well as other guardians, including grand parents. This compares with two hundred and thirty children supported in the same period in 2004.

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

Donors

Our donor base continues to expand and includes a number of UK Churches. During the year, a professional fundraiser was retained to develop grant fundraising. We have received grants from UK Trusts and other organisations. This is in addition to 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:

Aquila Way	Chiltern Church
Croydon Voluntary Action (CVA)	Croydon Tabernacle
Marley Building Materials	Elim Pentecostal Church, Croydon
The Madeline Mabey Trust	New Life Christian Centre (NLCC)
Milbourn Charitable Trust	St George's Church, Waterlooville
Nigeria High Commission	RCCG Hebron Court,
The Paul Foundation	RCCG Jesus House
Radley Charitable Trust	RCCG The Sanctuary
Spring Harvest	Wales AOG, Bangor
Women's World Day of Prayers	

Missions Visits

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

Staff

The work of the Charity in the UK continues to be managed by volunteers and a paid part-time staff, working 2 days a week. 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 uses the services of a number of volunteer Administration staff. The net value contribution of the non-salaried personnel to the charity is estimated at £70,000. The charity is planning towards employing at least one full term staff by 2006.

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 the work 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

The operational aspect of the Charity continues to be strengthened. The two committees (Finance and Prayer) set up in 2004 have been making meaningful contributions to the operation of the charity.

Financial information

The Charity's financial activities are set out on pages 6 and 7. The Charity's income during the year amounted to £84,540 and the split as follows:

Donations - Child Sponsorship (CSP)	£20,999
Donations - Gifts	£27,507
Donations - Churches	£ 5,860
Grants (Unrestricted)	£ 4,155
Grants (Restricted)	£10,880
Fundraising Events	£ 3,837
Tax reclaim	£10,300
Bank interest	£ 1,002

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 funds maintained in the bank account. There is a cash reserves policy in place that ensures that at least eight months of funds are retained for children not under the child sponsorship programme (CSP) and four months for those under the child supported within the programme.

Also the Charity currently has no full time paid staff. It is planning towards employing at least one full term staff by 2006 by putting aside some funds for this purpose.

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: 2005

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 2005, 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: 2005

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RECEIPTS AND PAYMENTS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2005

	Unrestricted	Restricted	TOTAL 2005	TOTAL 2004
	£	£	£	£
INCOMING RECEIPTS				
Donations-Child Sponsorship (CSP)	20,999	-	20,999	10,338
Donations- Gifts	27,507	-	27,507	14,303
Donations-Churches	5,860	-	5,860	4,027
Grants	4,155	10,880	15,035	14,465
Fundraising Events	3,837	-	3,837	13,943
Interest Received	1,002	-	1,002	311
Tax Reclaim	<u>10,300</u>	<u>-</u>	<u>10,300</u>	<u>2,628</u>
Total Receipts	<u>73,660</u>	<u>10,880</u>	<u>84,540</u>	<u>60,015</u>
PAYMENTS				
Direct Charitable Expenditure				
Child Sponsorship Programme (CSP)	30,293	6,140	36,433	25,584
Missions Visits	2,328	-	2,328	3,728
Other Expenditure:				
Fundraising costs	4,995	-	4,995	4,722
Printing, Postage & Stationery	11	2,228	2,239	1,384
Travel & subsistence	274	250	524	234
Telephone, Internet and website cost	1,570	20	1,590	1,237
Marketing, entertainment and related expenses	414	15	429	219
Office Rent	1,814	-	1,814	1,728
Insurance	183	-	183	183
Purchase of computer, printer & projector	-	1,112	1,112	576
Wages	2,480	-	2,480	-
Conference cost	-	-	-	706
Grant refund	-	210	210	-
Subscriptions	295	-	295	-
Sundry	337	-	337	223
Bank charges & interest	<u>198</u>	<u>-</u>	<u>198</u>	<u>168</u>
Total Payments	<u>45,192</u>	<u>9,975</u>	<u>55,167</u>	<u>40,692</u>
Net receipts for the year	28,468	905	29,373	19,323
Cash Fund balances at 30 April 2004	<u>36,866</u>	<u>4,885</u>	<u>41,751</u>	<u>22,428</u>
Cash Fund balances at 30 April 2005	<u>£65,334</u>	<u>£5,790</u>	<u>£71,124</u>	<u>£41,751</u>

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STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 APRIL 2005

			2005	2004
MONETARY ASSETS:	General Purpose Funds	Restricted Funds	TOTAL	TOTAL
	£	£	£	£
Bank & Cash balances:				
Bank current account	22,395	5,790	28,185	14,743
Bank deposit account	42,805	-	42,805	26,960
Petty cash	<u>134</u>	<u>-</u>	<u>134</u>	<u>48</u>
Total	<u>£65,334</u>	<u>£5,790</u>	<u>£71,124</u>	<u>£41,751</u>

Restricted Funds:

Awards for All	1,836	
CVA	3,154	
Women's World Day of Prayers	800	
The Paul Foundation	0	
The Roger Vere Foundation	0	
Spring Harvest	<u>0</u>	
	<u>£5,790</u>	(see Note 4)

Other Monetary Assets:

	2005	2004
	£	£
Debtors: Tax credits	1,197	3,563
Deposit- rent and keys	270	270
Overseas currencies held	<u>270</u>	<u>240</u>
	<u>£1,737</u>	<u>£4,073</u>

**APPROVED BY THE TRUSTEES ON
BEHALF BY:**

2005 AND SIGNED ON THEIR

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 2005

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.
- c) The value of donated services and materials has been included at their estimated open market value.

2. TRUSTEE REMUNERATION

The trustees received no remuneration in the year.

3. STAFF REMUNERATION

Salary was paid only to a part-time staff. No salary or allowance was paid to the two volunteer staff who contributed their services to the Charity.

4. RESTRICTED FUND

Restricted funds are for the following purposes:

Awards for All

The grant 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. The utilisation of the fund balance as at 30 April 2005 is to be agreed with the fund provider.

CVA Community Chest Fund

Croydon Voluntary Action (CVA) awarded this grant for the ACT Management Development project.

Women's World Day Of Prayer

The grant has been awarded for the production of cards and bookmarks

The Paul Foundation

The grant was awarded to be utilised for support of children. The funds were fully utilised as at 30 April 2005.

The Roger Vere Foundation

The grant was awarded mainly to be utilised for support of children. The funds were fully utilised as at 30 April 2005.

Spring Harvest

The grant awarded to be utilised for support of children in Burkina Faso, training programmes, and courses and for the development of Schools outreach programme. The funds were fully utilised as at 30 April 2005.