

Ace Africa UK Annual Report & Accounts 2020



Ace Africa
Developing Communities

Registered charity number 1111283
Company number 4726183

Ace Africa UK

Report and Financial Statements

for the year ended 31 December 2020

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Ace Africa UK Report and Financial Statements For the year ended 31 December 2020

Charity Name:	Ace Africa (UK)
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 Nishit Ruparelia Anne-Gabrielle Starkloff Janenika Beale Rachel McCastman (Honorary Secretary) (appointed 11.01.21) Fiona Murray (Honorary Treasurer) (appointed 18.03.21) Kennedy Wanyonyi (appointed 18.03.21)
Staff:	David Evans, UK Country Director Stephanie Mooney, Trusts and Foundations Senior Manager Olivia Jarman, Events and Fundraising Manager Ajay Vasa, Finance Manager
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 2020

The Trustees of Ace Africa UK (the "Charity") present their report on activities for the year ended 31st December 2020.

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 articles of association.

Trustees

The Trustees are the directors and members of the Charity. Under the articles of association there may be no fewer than three Trustees; there are seven trustees at present. Trustees are appointed by the board. In selecting Trustees, consideration is given to their breadth of knowledge and the experience required by the Charity. Candidates are interviewed, and nominations presented for approval to the Board.

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 Africa UK has three full time staff and one part time staff members. There were no staffing changes in 2020.

The Charity uses office space provided pro bono by the Lockton Companies LLP and we are grateful for their support and their understanding during the disruption caused by COVID-19.

Principal activities

Ace Africa UK is an independent charity, established in 2005 to support charities working in Africa in particular with the aim of reducing the impact of HIV/Aids on rural communities. During the 2020 financial year, Ace Africa UK supported Ace Africa Tanzania (founded in 2008) and Ace Africa Kenya (founded in 2003); both are independent organisations registered in their 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 share a commitment to the following:

- **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

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- **creating awareness of government services, and bringing these services closer to the community**, bridging gaps that often exist. Ace Africa Tanzania and Ace Africa Kenya work 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 individuals and grant making organisations. New trustees were appointed and appropriate filings made. In 2020 modest work continued to reboot this part of the Ace Africa network.

Ace Africa UK approaches individuals, families, trusts, foundations, companies and government funding agencies to raise funds to make grants. During the 2020 financial year, grants were made to Ace Africa Kenya and Ace Africa Tanzania in support of their programmes. Grants were made in accordance with signed partnership agreements, which were updated at the end of 2020.

Ace Africa UK may support other NGOs if the trustees decide that doing so is in the best interests of the Charity in achieving its objects.

Operations supported by Ace Africa UK in Kenya and Tanzania

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 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, providing seeds, tools and technical support to improve food security) and economic empowerment (skills and experience to secure economic independence).

Since 2003 and up until the end of 2020, Ace Africa Kenya and Tanzania reached **1,920,505** children and their families, including:

- **24,818** cases of child abuse reported and resolved
- **218,850** individuals reaching long term food security (i.e., 3 nutritious meals & some surplus food)
- **610** Ace Child to Child Clubs established, helping **118,656** children learn about child rights, hygiene and nutrition. The clubs are run by the children
- **180,208** people tested for HIV

Impact of and response to COVID-19 in Kenya and Tanzania

Coronavirus is the biggest global health, economic and social crisis of our lifetime. The poorest and most vulnerable have been hit hardest.

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While the number of deaths in Africa from COVID-19 has been low, its social and economic consequences have been devastating. Lockdowns and school closures increased gender based and sexual violence in the home. Unemployment caused a loss of income resulting in hunger. One survey in late 2020 showed that 60 per cent of Kenyans could no longer afford three meals a day and that 7 out of 10 households were more fearful of the economic than health impact.¹

With the generous support of many supporters and the dedication of staff and volunteers in Kenya and Tanzania, Ace Africa supplied health information, food packages and hand washing stations. Our position as trusted partners of both communities and local government meant we were well placed to make emergency responses.

This included:

- **Public health information.** Creating six films about handwashing and hygiene, in local languages, reaching over a million people.
- **Low cost hand washing stations.** Using local materials to set-up 1,700 handwashing stations in homes, health facilities and government offices.
- **Emergency food packages.** Delivering emergency packages with essential food and non-food items to 1,850 vulnerable families.

COVID-19 has exacerbated the issues that Ace Africa has always addressed – hunger, poverty, a lack of access to education and child abuse. Demands for our services increased, at a time when normal fundraising activities in the UK were severely disrupted (see below).

Other activities

Since 2003, Ace Africa Kenya has reached 1,542,391 people directly and another 3,084,782 indirectly. Since 2008 Ace Africa Tanzania has reached 378,114 people directly, and another 756,227 indirectly.

In both countries a small number of local staff cover fundraising, management, research/evaluation, training and programme delivery. Members of the local communities lead our work and since 2003, 23,986 volunteers have been involved in planning and delivering long term change in health, agriculture, income generation and child rights.

- **Ace Africa Kenya**
The majority of its funds are raised in Kenya. This includes USAID funded projects. Large scale institutional funding comes with substantial challenges and can be unpredictable. In 2020 some funding streams reduced or ended (i.e., the MWENDO OVC project). The DREAMS project, FHI360 AMPATH Plus linkage projects and USIAD/DFID AHADI governance project in Siaya all continued.

Total income reduced by 30 per cent. **Replacing and diversifying income in a competitive environment with minimal fundraising capacity is extremely challenging, making the continuing fundraising achievements all the more remarkable.**

A new three year project to expand access to child protection, child rights and health for 9,000 children in Migori and Kisumu started as part of new three year project with an existing supporter. During the first six months of the project 20 Ace Africa child clubs were established (impacting 1,000 students), training 40 teachers and 20 headteachers, establishing a child rights committee, two advocacy days were held and jigger prevention work took place for 400 students.

A first grant from the Ernest Kleinwort Charitable Trust will help youth access sexual health

¹ <https://www.twaweza.org/go/swz-learning-to-live-with-corona>

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information and services, work delivered alongside an initiative funded by Egmont Trust to improve the long-term economic security and livelihoods of 500 women aged 18-24 in Siaya County.

Smaller scale projects continue, including for example **establishing a girl's only toilet funded by the St James' Place**. Without access to safe, hygienic toilet facilities, many girls around the world do not go to school when they are menstruating.

Research remains a substantial part of Ace Africa Kenya's work; a long-term project funded by Duke University (USA) is now in its third phase; it aims to develop local HIV prevention programmes.

Ace Africa Tanzania

Its three project areas are Arusha District Council in Arusha Region, Moshi rural area in the Kilimanjaro Region and Kome (plus other islands) in Bushosa District, Mwanza Region. In 2020 Ace worked in 70 schools and 60 community support groups.

A new three year project aimed at improving awareness and access to quality of health services for 20,000 people living with HIV in Arusha, started in autumn last year. By March 2021 community drama events on HIV were held for 850 people, 96 people were tested for HIV at voluntary counselling and testing (VCT) events, and health education days were hosted for 1,100 people with 21 community health mentors trained.

Despite COVID, schools were open sufficiently later in the year for the **Ace Future Stars Football League** to take place, combining football training and tournament with child rights awareness and protection. So far 84 schools and 2,514 children have benefited.

A one-year pilot environmental protection programme concluded resulting in: increased knowledge of and access to quality environmental protection for 7,078 people (3,320 community members and 2,602 students) in the rural and drought prone Kisongo Ward, Arusha. 8,000 tree seedlings were distributed to four schools and four villages, with a 74% survival rate and 200 households received eco-stoves with 89% still using them 12 months later.

A major community livelihoods programme is in its second year, aiming to **improve economic security for youth and community members in rural areas of Arusha District Council**. From July to September 20 training sessions to six youth and two community groups took place, reaching 169 young people and 56 community group members (mostly women, from marginalised rural communities where there are limited economic and training opportunities, and food security is a struggle).

Ace Africa works with local government, INGOs and many local civil society organisations to share expertise and increase impact. Key partners include: Kenya Red Cross, Haller Foundation, Maternity Africa, Seka Educational Theatre, Natron Health Project, Mango Tree and Got Matar Community Development Group. In the past year Ace Africa continued to partner with CHASE Africa, Watershed Ecosystem Conservation and Dandelion Africa to increase tree planting and sustainable agriculture in Western Kenya).

Activities in the UK

A UK office of professional staff fundraises so that the Charity can make grants to further its charitable objects. It also carries out the work underpinning fundraising: communications, donor stewardship, financial accountability, governance and networking within the UK INGO community.

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Our ability to fundraise at scale remains dependent on the input and support of numerous volunteers. This includes not just our Patrons and trustees, but others who donate, provide introductions to new supporters and run fundraising activities. In 2020 the extraordinary efforts of both staff and volunteers led to the successes detailed below.

The impact of on our fundraising

2020 was an extraordinary year for us, as for other UK charities, with income streams dramatically impacted by the pandemic. Our biennial major fundraiser was rescheduled then cancelled, with a loss of projected income of approximately £150,000.

As a UK overseas charity, we were not eligible for government support other than furloughing of staff. This was not a viable option as it would have left the charity unable to administer existing funds, raise emergency COVID funding or secure longer term income. This pressure on staff to deliver restricted and unrestricted income in challenging circumstances was substantial.

Their success (detailed below) and the generosity of trusts/foundations and major donors meant that total income for the year exceeded that of 2019 at £819,825. Of this restricted income was £447,591 and unrestricted £372,234.

To replace unrestricted income lost due to the pandemic, a 2020 Ace Africa fund was launched at the end of the summer, targeting major donors. This was led by senior volunteers including our Patron Phil Howard, long term supporter Glen Pierce, trustee Nish Ruparelia and founder Joe Waddington. It raised £50,000.

Income from normal challenge events fell due to their postponement. However, we engaged with virtual fundraising, including the 2.6 challenge in April 2020 and other individuals generously improvised during the year. Together with ticket sales from the postponed major fundraiser, donations from individuals totaled £22,280.

The majority of Ace Africa UK income was generated from Trusts and Foundations (including corporate trusts). In 2020 £593,651 was raised from 25 Trusts/Foundations of very different sizes. This leads to diverse expectations and requirements, (e.g., applications and reporting), which is challenging for a small office.

Following completion of a three year project, a donor agreed a new three year grant agreement for the Charity to support work in Kenya and Tanzania. Worth \$400,000 (circa £290,000) over three years, it is the largest in the history of Ace Africa UK. It shows both satisfaction with the work previously funded, and continued faith of the donor in Ace Africa UK.

Two foundations made generous emergency donations which were used by the Charity to support all three Ace Africa entities. Some of these funds paid for emergency responses to COVID-19.

Four major individual donors (defined here as giving over £2,000) donated £89,942. One multi-year agreement replaced a long standing donor who ended his support. Increasing this number is an on-going and key target for 2021 to provide a more predictable and reliable income.

Our 'Friends of Ace' programme generated £9,270 from monthly support, invaluable predictable income.

Ace Africa UK has a long history of working with schools across the UK. As in previous years, we provided bespoke fundraising materials, or gave presentations. Due to COVID-19 a second Eton College five aside event was cancelled. However, we were nominated as a charity of the year, with fundraising delayed to 2021 due to COVID-19. This was also the case with Marlborough College, where the founder, Joe Waddington

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presented to the school further to the initiative of a relative who is a student.

In 2020 the costs of the production and distribution of the impact report were met via corporate support, a three-year relationship which had ended, requiring a new sponsor.

Expenditure

Total expenditure in the UK and overseas was £783,503. The total cost of fundraising was £169,563 (staffing costs represent the majority of this).

Ace Africa (UK) support of programmes in Kenya and Tanzania totaled £558,374 of which £431,695 was restricted and £126,679 was unrestricted grants. The section above (operations supported by Ace Africa UK in Kenya and Tanzania) gives examples of what was done thanks to these funds.

Liaison with Ace Kenya and Tanzania

This is the key to Ace Africa UK's success and ensures we are aware of the funding requirements of our partners who best understand the problems and solutions based on local knowledge, and relations with communities and government. COVID-19 did not allow visits to the field in 2020; communication between the three parties intensified as electronic communication became normal. Country Directors spoke bi-weekly.

Governance

Three new trustees joined the Board during 2020 and the early part of 2021. This has increased the diversity of the Board and includes an African based trustee who was part of an Ace Africa programme as a younger man, and volunteered for both Ace Africa Kenya and Tanzania.

These new members replaced long standing members who stepped down, as well as two recruited at the end of 2019. The UK Board continues to look to recruit new trustees. Two of the new trustees took on the roles of Honorary Secretary with an Honorary Treasurer and trustee identified to start in the new financial year.

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 estimated appropriate level of reserves is three months of unrestricted budgeted expenditure, calculation based on the annual budget.

The impact of COVID-19 pandemic reiterated the need for reserves as per the first bullet point above. The scale of the pandemic resulted in the trustees taking a proactive financial management decision to invest unrestricted income raised in the year to contribute towards the urgent needs arising in East Africa. Our partners were faced with increased immediate needs alongside nervousness from some donors, due to the impact of the pandemic on their finances and planning processes; in-country fundraising was thus negatively impacted.

This approach will continue to be risk assessed quarterly by the trustees with consideration given to the reserves policy as well as the skills of the fundraising team, the consequences of not providing immediate support to our East African partners to sustain and deliver against our charitable objects.

A closing balance of free reserves of £26,596 was retained, in a challenging fundraising environment, while falling short of the target, the trustees had a clear rationale, given above.

Increasing reserves is a key aim for Ace and whilst it is recognised that this remains a challenge, Ace is grateful

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to its supporters, especially those who provide unrestricted donations.

The trustees plan to rebuild the free reserves to the required level over the next two years through setting a Covid-19 recovery plan for income generation, with frequent monitoring of both fundraising and expenditure by the newly appointed Treasurer. This includes:

- introducing a fundraising plan that proactively involves trustees in fundraising
- mapping out our organisational development needs and the needs of our partners to strengthen the charities in the longer-term as part of a Covid-19 recovery plan
- the default position of any extra unrestricted income will be to be kept as reserves, with decisions on different use to be decided through discussion between board and team

Future plans - responding to an evolving landscape

Pre-existing income and expenditure plans had to respond to the unexpected circumstances of 2020.

Exceeding 2019 income reflected a dramatic response by donors. Some adjusted fundraising policies to allow unrestricted funding so each part of Ace could focus on the immediate priorities as they saw them.

It is encouraging to see campaigns led by funders, like the Covid19 drive and campaigns about flexible funding in 2020, which have encouraged funders to not return to business as normal. Charities – including Ace – continue to stress the benefits (to the donor and the recipient) of multi-year unrestricted funding. Long term change may take place as donors see partners who cannot meet their running costs cannot in turn help them to meet their philanthropic objectives.

In 2021 the fundraising landscape will remain extremely challenging (the need for increased domestic funding makes international causes more competitive). COVID related 'extra' support may not be repeated. The 2021 plans had to reflect this, and the fact that the biennial major fundraising event, (historically relied on to generate significant unrestricted income) is unlikely to be held. 2020 showed that reliance on this event presents an unsustainable risk.

To address this, and allow a focus on existing fundraising strengths, the 2021 plan includes a review of long term fundraising strategy and capacity. The current 3.5FTE staff have achieved for some years what can be realistically expected of this team. Investment in the UK office to increase income will be considered. Raising funds to pay for any additional professional staff would be challenging, but should represent a rewarding and attractive investment for appropriate donors.

Accounting policies

A summary of the principal accounting policies is set out in Note 1 to the accounts on page 18.

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. In 2020 the Charity made grants to Ace Africa Kenya and Ace Africa Tanzania, which gives rise to risks of misappropriation or maladministration of such grants. These risks are managed by regular monitoring of 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. This will recommence as soon as circumstances allow.

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

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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 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.

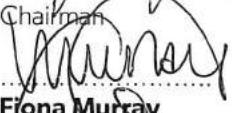
Trustees' declaration

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


.....
Fiona Murray

Treasurer

13/8/21

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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

Independent auditor's report to the members of Ace Africa UK

Opinion

We have audited the financial statements of Ace Africa (UK) ('the charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. 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).

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 2020 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 charitable 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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Independent Auditor's Report

To the members of Ace Africa UK

Opinions on other matters 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report [or the strategic report] included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require(s) us to report to you if, in our opinion:

- adequate and proper 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 trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes 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 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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To the members of Ace Africa UK

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing relevant correspondence.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

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

This description forms part of our auditor's report.

Use of our 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.



Robert Kirtland

For and on behalf of Critchleys Audit LLP, Statutory Auditor

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

Date: 17/9/21

Ace Africa UK
Statement of Financial Activities
(Incorporating an income and expenditure account)
For the year ended 31 December 2020

		Unrestricted	Restricted	12 Months	12 Months
		Funds	Funds	Total	Total
		2020	2020	2020	2019
Notes		£	£	£	£
Income and endowments from:					
Donations and legacies	2	298,143	447,591	745,734	718,172
Charitable activities - events		24,091	-	24,091	8,239
Investments		-	-	-	14
Other - gifts in kind		50,000	-	50,000	50,000
Total income and endowments		372,234	447,591	819,825	776,425
Expenditure on:					
Charitable activities					
Support of Ace Africa programmes	3	126,679	431,695	558,374	605,936
Governance Costs	3	5,477	-	5,477	5,325
Raising funds					
Fundraising and Grant Application Costs	3	169,563	-	169,563	125,689
Event Costs	3	89	-	89	3,106
Other	3	50,000	-	50,000	50,000
Total expenditure		351,808	431,695	783,503	790,056
Net income/(expenditure)		20,426	15,896	36,322	(13,631)
Reconciliation of funds					
Total funds brought forward		6,170	69,701	75,871	89,502
Total funds carried forward	7	26,596	85,597	112,193	75,871

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

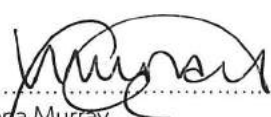
Ace Africa UK
Balance sheet
As at 31 December 2020

	Notes	2020 £	2019 £
Current Assets			
Debtors	5	7,095	8,070
Cash at Bank and in Hand		<u>115,569</u>	<u>74,219</u>
		122,664	82,289
Creditors: Amounts falling due within one year	6	<u>(10,471)</u>	<u>(6,418)</u>
Net Current Assets		112,193	75,871
Net Assets		<u>112,193</u>	<u>75,871</u>
Unrestricted Funds			
General Funds		26,596	6,170
Restricted Funds	7	<u>85,597</u>	<u>69,701</u>
Total Funds	10	<u>112,193</u>	<u>75,871</u>

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Small Entities (effective April 2008)

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


 David Montgomery
 Chairman


 Fiona Murray
 Treasurer

13/8/21

Ace Africa UK
Cash flow statement
As at 31 December 2020

	2020 Total funds £	2019 Total funds £
<u>Cash flows from operating activities:</u>		
Net cash provided (used in) operating activities (reconciliation below)	41,350	(1,029)
Change in cash and cash equivalents in the reporting period	41,350	(1,029)
Cash and cash equivalents at the beginning of the reporting period	74,219	75,248
Cash and cash equivalents at the end of the reporting period	<u>115,569</u>	<u>74,219</u>
 <u>Reconciliation of net income/(expenditure to net cash flow from operating activities)</u>		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	36,322	(13,631)
Adjustments for:		
(Increase)/decrease in debtors	975	14,790
Increase/(decrease) in creditors	4,053	(2,188)
Net cash provided by (used in) operating activities	<u>41,350</u>	<u>(1,029)</u>

Ace Africa UK

Notes to the accounts

For the year ended 31 December 2020

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.

There were no adjustments to the charity's Balance Sheet or Statement of Financial Activities on the transition to FRS102

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 is 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 recognized 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 of 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 on 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 the meeting 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.

Ace Africa UK
Notes to the accounts
For the year ended 31 December 2020

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
2 Donations and legacies				
Restricted Donations	-	447,591	447,591	566,222
General Donations	298,143	-	298,143	151,950
	<u>298,143</u>	<u>447,591</u>	<u>745,734</u>	<u>718,172</u>
Other				
In kind - use of office space	50,000	-	50,000	50,000

Ace Africa UK

Notes to the accounts

For the year ended 31 December 2020

3 Expenditure

	Costs of charitable activity	Fundraising and grant applications	Event costs	Governance costs	In kind expenses	Total 2020	Total 2019
	£	£	£	£	£	£	£
Support of Ace Africa Programmes							
Ace Africa (Kenya) - Unrestricted Grants	21,250	-	-	-	-	21,250	-
Ace Africa (Tanzania) - Unrestricted Grants	72,929	-	-	-	-	72,929	23,552
Programme costs paid in UK - Unrestricted	32,500	-	-	-	-	32,500	27,500
	126,679	-	-	-	-	126,679	51,052
 Ace Africa (Kenya) - Restricted Grants	119,962	-	-	-	-	119,962	212,600
Ace Africa (Tanzania) - Restricted Grants	282,790	-	-	-	-	282,790	321,230
Programme costs paid in UK - Restricted	-	-	-	-	-	-	10,036
Conjoint Projects	28,943	-	-	-	-	28,943	16,219
	431,695	-	-	-	-	431,695	560,085
 Cost of Generating Funds							
Staff costs - general fundraising	-	178,834	-	-	-	178,834	159,990
Bank charges	-	5,147	-	-	-	5,147	1,934
Postage	-	899	-	-	-	899	670
Stationery	-	494	-	-	-	494	383
Telephone	-	101	-	-	-	101	72
Travel	-	258	-	-	-	258	389
Media Costs	-	10,937	-	-	-	10,937	9,114
Training and development	-	-	-	-	-	-	295
Direct fundraising costs	-	1,033	-	-	-	1,033	1,181
Miscellaneous costs	-	1,618	-	-	-	1,618	1,759
IT & website costs	-	199	-	-	-	199	250
Rent	-	-	-	-	50,000	50,000	50,000
Support costs allocated to restricted grants	-	(30,532)	-	-	-	(30,532)	(55,549)
Recruitment fees	-	575	-	-	-	575	-
Event Costs	-	-	89	-	-	89	3,106
Insurance Costs	-	-	-	1,457	-	1,457	1,425
Audit Fee	-	-	-	4,020	-	4,020	3,900
TOTAL	558,374	169,563	89	5,477	50,000	783,503	790,056

Ace Africa UK

Notes to the accounts

For the year ended 31 December 2020

4 Trustees' Remuneration, Expenses and Donations

Nether 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 £2,780 (2019:£1,540)

5 Debtors	2020	2019
	£	£
Other debtors	2,000	5,000
Prepayments	2,366	1,458
Accrued income - Gift Aid	2,729	1,612
	<u>7,095</u>	<u>8,070</u>

6 Creditors	2020	2019
	£	£
Accruals	4,000	4,000
Other creditors	6,471	2,418
	<u>10,471</u>	<u>6,418</u>

Ace Africa UK

Notes to the accounts

For the year ended 31 December 2020

7. Movement in Restricted Funds

<u>Fund Details</u>	<u>Brought Forward</u> <u>01/01/2020</u>	<u>Income</u>	<u>Expenditure</u>	<u>Carried Forward</u> <u>31/12/2020</u>
	£	£	£	£
Ace Future Stars, Child Development, Arusha, Tanzania	32,300	7,552	37,300	2,552
Alumni/Bursary Funds, Kenya	4,400	-	-	4,400
Emergency Fund, Kenya & Tanzania	628	1,612	310	1,930
Got Matar & Siaya 10k run, Siaya, Kenya	1,710	13,564	7,650	7,624
Community Development, Arusha & Moshi, Tanzania	-	45,000	45,000	-
Rosie Dwyer Fund, Bungoma, Kenya	2,013	368	-	2,381
HIV/AIDS Health improvement, Siaya, Kenya	-	44,612	44,612	-
The Amani Child Development Centre, Siaya, Kenya	-	500	500	-
Truck Fund, Kenya & Tanzania	1,263	-	-	1,263
Community Livelihoods Initiative, Arusha, Tanzania	-	2,407	237	2,170
Community Livelihoods Initiative, Siaya, Kenya	-	36,995	36,995	-
Counsellor-Child Development - Arusha, Tanzania	-	10,153	10,153	-
Conjoint project, Community Livelihood Initiative, Kenya	7,319	-	7,319	-
Child Development, Vihiga & Homa Bay, Kenya	1,902	-	-	1,902
Vitol-Kenya & Tanzania	3,416	-	3,416	-
Counsellor Salary, Kenya	750	-	-	750
Nutrition Supplements & Training - Tanzania	2,000	24,000	24,000	2,000
Youth & Community-Arusha, Tanzania	-	128,893	128,893	-
Orphanage School, Kenya	12,000	-	12,000	-
HIV Communications Drama & VCT Events, Tanzania	-	10,000	10,000	-
Expanding access to child protection, Kenya	-	61,703	33,657	28,046
Strengthening HIV health services- Arusha, Tanzania	-	46,736	25,499	21,237
Increasing youth access to sexual health, Kenya	-	9,996	654	9,342
Rarieda Football League -Siaya, Kenya	-	3,500	3,500	-
	69,701	447,591	431,695	85,597

Ace Africa UK

Notes to the accounts

For the year ended 31 December 2020

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

	2020 £	2019 £
This is stated after charging		
Auditor's remuneration - current year	4,000	4,000
Over provision for previous year	20	(100)
	<u>4,020</u>	<u>3,900</u>

10 Analysis of net assets between funds

Fund balances at 31 December 2019 are represented by :	Unrestricted £	Restricted £	Totals £
Net current assets/ (liabilities)	26,596	85,597	112,193

11 Employees

	2020 £	2019 £
Total gross wages & employer's national insurance	178,834	159,990
	<u>178,834</u>	<u>159,990</u>
Staff costs above include remuneration paid to key management personnel, comprising the UK Country Director, amounting to:	<u>68,611</u>	<u>56,485</u>
Average number of employees during year	<u>4</u>	<u>4</u>

There were one employees with emoluments above £60,000 (2019: 56,485)

Ace Africa UK

Notes to the accounts

For the year ended 31 December 2020

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.