

Company Number 3016170
Registered Charity Number 1052817

COMMUNITY HEALTH EDUCATION
AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

REPORT AND

UNAUDITED

FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2016



Percy Westhead & Company
Chartered Accountants
Greg's Buildings
1 Booth Street
Manchester
M2 4AD

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

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COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

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COMPANY INFORMATION
for the YEAR ended 30th APRIL 2016

STATUS	The organisation is a charitable company limited by guarantee, incorporated on 31 January 1995 and registered as a charity on 12 February 1996.
NAME(S)	Community Health Education And Reconstruction Training also known as Community H.E.A.R.T.
CHARITY NUMBER	1052817
COMPANY NUMBER	3016170
REGISTERED OFFICE	Community H.E.A.R.T. Unit 33 Longsight Business Park Hamilton Road Manchester M13 0PD
PRESIDENT	Professor Denis Goldberg
VICE PRESIDENT	Brian Filling
SECRETARY	Isobel McVicar
BANKERS	HSBC Angel Islington 25 Islington High Street London N1 9LJ
INDEPENDENT EXAMINER	T A R Elston BA FCA Percy Westhead & Company Chartered Accountants Greg's Buildings 1 Booth Street Manchester M2 4AD

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

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COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2016

The Community H.E.A.R.T. Council are pleased to present their report and financial statements of the charity for the year ended 30th April 2016.

The Directors (Council Members)

Directors, who are also trustees under charity law, who served during the year and up to the date of this report were as follows:

Mr R Bruce	
Ms Rena Wood	
Mr I I Perez	Vice Chair
Mr J McFadden	
Mr J McGhee	Chair
Mr M Malik	(retired 11 th March 2016 and was duly nominated and re-elected)
Ms M Tladi-Small	(retired 11 th March 2016 and was duly nominated and re-elected)
Ms J Sawyer	(retired 11 th March 2016 and was duly nominated and re-elected)
Ms L Richards	
Ms M Dunn	Vice Chair

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated in 1995 and registered as a charity on 12th February 1996. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Appointment of Trustees

As set out in the Articles of Association the Council will comprise not less than 4 and not more than 10 members. Members of the Council are elected at the Annual General Meeting (AGM), nominations having been called for prior to the meeting. Casual vacancies can be filled by the Council between AGM's but must be ratified at the next AGM. Under point 35 of the Articles of Association, one third of the Council must retire at the AGM. The members of the Council to retire will be those who have been longest in office. A retiring member shall be eligible for re-election. The Convenor (Chair) and Vice Convenor (Vice Chair) are elected at the AGM. The Council agreed to have two Vice Convenors at the meeting on the 18th February 2014.

Trustee Induction and Training

New members are given copies of the Articles of Association and encouraged to visit our website to review past and on-going work. All trustees receive regular financial updates. During the financial year 2010/11 the Council held a Strategy Meeting to review the work and discuss future strategy of the organisation. The meeting agreed a number of aims and objectives for the future detailed below under Objectives and Activities. It was agreed that progress on these aims and objectives will be reported and reviewed at each future council meeting.

Organisation

The board of trustees, which is made up of 10 members, is responsible for the administration of the charity. The board meets at least 4 times a year. A Director, appointed by the trustees, manages the day to day activity of the charity. All major decisions on new work undertaken are taken by the trustees.

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7COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2016

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 30th April 2016 was ten. The directors have no beneficial interest in the charitable company.

Responsibilities of Trustees

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements that give a true and fair view, the directors should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare financial statements on the going concern basis unless it is appropriate to assume that the company will continue on that basis

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the charitable company and hence for taking any reasonable steps for the prevention and detection of fraud and other irregularities.

Risk Management

The trustees have agreed to review risks to the charity on an annual basis and implement any procedures which may be necessary to minimise risks to the organisation.

The trustees have identified the risk to the work is our limited amount of regular funding and the risk of regular funding drying up. The trustees have agreed to plan fund raising, and building up a regular funding base and diversification of funding streams. Internal controls of authorisation of financial transactions minimises risk to the funds. Two authorised signatures are required for all financial transactions. The organisation also has a reserves policy to ensure we can meet our financial commitments.

Objectives and Activities

The object of the organisation is to preserve and protect the mental and physical health and assist with the education of people in what used to be called the Front Line States of Southern Africa to help with the alleviation of poverty in those countries. Effectively, at this moment we are helping to overcome the legacy of deprivation in the aftermath of apartheid in South Africa.

The main objectives for the year

- developing relationships with organisations in the UK that can help us secure our overall objectives
- access large grants for organisations we support in South Africa
- developing current relationships and investigating new relationships with organisations in South Africa to help us secure our objectives
- supporting through small grants a number of organisations in South Africa that will allow us to fulfil our objectives
- developing current funding streams and new ones

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COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2016

Strategies for achieving objectives

To achieve our objectives we have formed relationships with organisations in South Africa that carry out such activities. We have decided that we shall not open an office in South Africa, but give support to selected organisations there and thus save the enormous overheads involved. We shall carry out or commission evaluations of projects where necessary.

In January 2011 a Strategy Meeting was held to review our strategies and objectives, especially in the current financial situation in the UK and around the world. The following strategic objectives were agreed and have continued:

- Restore financial reserves to around £25,000 by developing current funding streams and new ones
- developing strategic relationships and partnerships with organisations within the UK, South Africa and Europe to help us secure our objectives
- Develop our communications with our supporters and the general public
- Develop further trade union support

Details of Projects and Programme Activities during 2015/16

Book and 10 Pence

This campaign is set up to provide school libraries in South Africa. The organisation has continued to progress this project and build relationships with organisations, schools, local authorities and others in the UK that can help us access books and organisations in South Africa able to distribute books to the schools.

Community H.E.A.R.T. have also introduced a new pilot initiative to provide some mother-tongue books to primary schools as there is evidence that introducing infants to books in their mother-tongue enhances the children's interest in reading and increases literacy.

Large Grants

In this financial year we received a further £20,000 for HOKISA (Homes for Kids in South Africa). It should be noted the current financial situation in the UK is still affecting the ability of small charities like Community H.E.A.R.T. to access large grants. Community H.E.A.R.T. will continue to search for large grant funders to support our projects and the work we do.

Small Grants

There were no small grants distributed in this financial year.

Developing Current Relationships and New Relationships

In order to advance our aims and objectives we look to develop new relationships with organisations in South Africa as well as continuing to develop long standing ones. This is particularly important because we do not have offices or staff in the region and to ensure the work we support is developed by local people shaping their own future. We continue to work with longstanding partners in South Africa.

We also work with a number of organisations in the UK including ACTSA, ACTSA Scotland, UNISON, World of Books and the FBU.

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Developing funding streams

Community H.E.A.R.T. continued during this period to look at ways to develop funding streams. These can be covered broadly under four headings

- Regular donations
- One-off donations
- Grants
- Corporate
- use of social enterprise sites

Achievements and Performance

Book and 10 Pence

The campaign involves collecting children's books to set up school libraries in South Africa. In this financial year we sent two containers of books. These were sent with the help and support of ACTSA Scotland who are our partners in that part of the UK. This enabled us to reach our target of 3 million books. As mentioned earlier we also launched a pilot programme to provide mother-tongue books. These books were purchased from Biblionef which commissions translations of children's books into indigenous languages. This also means we are also supporting the local economy in South Africa. The initial books purchased have gone to a school in Limpopo Province and a school in the Eastern Cape. Mmapula Tladi-Small will assess the impact of the books on her next visit to South Africa.

The FBU (Fire Brigade Union) have continued to be very supportive and we believe will continue to ask the Fire Authority in Manchester and their members to help with loading and unloading books in the future. Without the help of the fire fighters in Gorton and Moss Side in the past we would have had great difficulty in dealing with loading the containers. Our thanks go to all those involved and to Alan Anderson, who organised the help. Alan has retired and has volunteered to do further work for the project as well as ensuring a future contact with the FBU branch.

Brian Stangoe, a volunteer for the book campaign for over 14 years, has continued to be employed part-time to work on the book campaign. His experience in logistics and of the campaign is invaluable.

The campaign would also not be possible without all those who have donated books and 10 ps. Many tens of thousands of individuals have donated books and a number of organisations have shown unstinting support. Local ACTSA organisations have been collecting books for the campaign for many years and have given tens of thousands of books. There are also schools that are now making regular contributions to the campaign. Many Local Authorities have supported the campaign. ACTSA Scotland, as in past years, has organised the packing, sorting and funding of the books going to the Eastern Cape.

Amba Forwarding, our shipping agent in the UK, has been invaluable to the campaign. There have been problems with changes in the South African Department of Trade and Industry. Unfortunately, in recent years the cost of shipping has vastly increased. The help and support of Kris Shah and Kirti Patel and the team of Amba Forwarding have ensured the shipping aspect of the campaign has gone smoothly.

Others have also given freely of their time and energy including many of the UNISON North West staff and activists who have helped with deliveries of books, driving vans and loading containers.

As said earlier in the report the support of volunteers from the Manchester Fire Service and North West FBU have been invaluable for the Book and 10 Pence campaign.

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COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2016

Many people have given of their time and energy to support Community H.E.A.R.T. not least the teachers, parents, staff and members in schools, the churches, young peoples' organisations and others who have collected books. Many ACTSA members around the country who have supported the book campaign for many years including ACTSA Richmond. ACTSA Scotland members and supporters worked on the books collected in Scotland. Trade union branches have also been active in supporting the Book and 10 Pence campaign.

Large Grants

There was one large grant of £20,000 for HOKISA.

HOKISA – Homes for Kids in South Africa

The focus of the work HOKISA do is caring for children living with and affected by HIV/Aids, full-time and in a family environment. When a child cannot be looked after by family members or neighbours, he or she is placed via the Magistrate's Court at the HOKISA Home. A careful assessment of the situation of each child is part of the admission process. Whenever possible, family members are encouraged to keep in touch with the child.

HOKISA cares for up to twenty children in a family-like environment seven days a week, 24 hours a day. People have recognized the improvement in health and wellbeing of some children who arrived at the home very sick.

HOKISA also provides training and skills development, they organise workshops for all staff members around topics like: "Facts around HIV/AIDS", "Early Childhood Education", "Nutritious food for children with a weak immune system", "Management and Bookkeeping", "1st Aid" and "Personal Budgeting". They also support HIV/Aids awareness: A youth group meets regularly at the HOKISA Peace House, to see educational films and to have discussions around issues that are relevant to the youth in the township - often but not always related to HIV. Educational outreach to the greater community of Masiphumelele and beyond is part of their work.

HOKISA is also involved in supporting people living with HIV/Aids: they help individuals to apply for financial support like the disability grant, and where needed, we help with food parcels until such a grant comes into effect. HOKISA is an integral part of the Masiphumelele, the community has given it the name HOKISA Ikhaya Lethu which means HOKISA our home.

We received £20,000 from Rouse Films for HOKISA to put towards the educational needs of the children housed in HOKISA including school fees, uniforms and any other expenses linked to their education.

Small grants

Our account in South Africa has continued to allow us to reduce bank international transfer fees and get the best rate of exchange. Small transfers incur relatively large fees and very poor exchange rates. We can now transfer a combined amount of grants therefore benefiting the projects we support. We also are able to take advantage of the fact that interest rates are paid on balances in South African banks.

We will be making two small grants in the next financial year to Ikamva Labantu and Ububele.

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Abadala (Ikamva Labantu)

We have continued our work with Abadala. The Friends of Abadala have continued to pursue donations and supporters make donations to Community H.E.A.R.T. Abadala donors support old people's centres in Cape Town townships, which is a part of the Ikamva la Bantu group of projects. Abadala is a small organisation and so administering the donations would not be cost effective. Working in this way allows all the money donated to go to the project and allows us to be informed of work being done which could help inform some of our other projects. As with many projects in South Africa AIDS is becoming a major issue. Many of the senior citizens are finding they have to help support their families that are being devastated by the pandemic.

We are kept informed of the work through comprehensive annual and financial reports from Ikamva Labantu. During this financial year we raised £2,200 which will be paid in the next financial year.

Ububele

Ububele is a psychotherapy resource and training centre based in Alexandra Township, just outside Johannesburg. Community H.E.A.R.T. was involved in supporting this organisation when it was first set up by Tony and Hillary Hamburger. Alexandra is a large township which has a great deal of unemployment and poverty. Added to this the HIV/AIDS pandemic is a source of concern for many of the inhabitants with many affected directly or indirectly. The organisation provides a much needed service in the community.

The importance of this organisation is not only its work with the communities and families in Alexandra but also as a centre of good practice in the area of psychotherapy. The need for mental health facilities is extremely important but is often an area which is forgotten about, as hunger and poverty are more visible.

Ububele is made up of a number of areas of work:

- a Psychotherapeutic Nursery
- a Training Faculty
- a Group Counselling Training division
- an Early Childhood & Families Training Division

● **The Psychotherapeutic Nursery**

The nursery currently caters for 50 children. As well as catering for the children it also offers training to preschool teachers and provides a resource for post-graduate interns and professionals.

● **Ububele-Persona Dolls Project**

This helps children to talk about their experiences and express necessary feelings. The project trains counsellors and teachers to effectively use the Dolls. Ububele employs women from the local community to manufacture the Dolls in-house, thus also providing much needed employment in the local area.

● **The Ububele- Umdlezane Parent Infant Project**

This project concerns assisting vital mother and infant emotional attachment when this becomes "at risk". The project provides support to hospitals and clinics to help them provide better and necessary counselling services to mothers and fathers with infants.

● **Preschool Counsellors Project**

This offers a one-year training course for lay counsellors who will initially service 45 schools in the community and will provide psychological assistance and a referral service to over 10,000 children. This is a very important project as it trains local women as lay counsellors who can talk to the children in their mother tongue as well as providing employment in the local community.

We are kept informed of the work through comprehensive annual and financial reports from Ububele. During this financial year we raised £2,022 which will be paid in the next financial year.

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COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2016

Developing Current Relationships and New Relationships

We have continued to develop current and where possible new relationships with organisations in South Africa including Lilliesleaf.

Website

Volunteer, Giselle Leeb a website developer, continues to assist us with our website. We have tried where possible to keep people updated.

Developing funding streams

Regular donations

There were 125 regular donors during this financial year including 11 trade union branches. In this financial year £23,140 was donated through regular donations compared to £22,622 in 2014/15. This includes £4,864 from Interact for Change which wound up any formal fund raising some years ago so the annual amount is likely to slowly fall in future years.

One-off donations

There were 99 one-off donations in this financial year compared to 102 in 2014/15, totalling £7,855 and includes books and cards sold. During this year we also raised £1,011 at UNISON conference, £3,620 in gift aid (this includes gift aid claimed on our behalf through the Charities Aid Foundation and Everyclick.com) and £602 in interest from our South African bank accounts.

In partnership with Lilliesleaf we published a book, Denis Goldberg Freedom fighter and Humanist. This was published in the UK and South Africa with all funds raised going to Community H.E.A.R.T. The total raised in the UK and South Africa was £4,714.

Grants

There were no grants received this year.

Corporate

One large donation for £20,000 was made by Rouse Films specifically for HOKISA (Homes for Kids in South Africa)

Social Enterprise and Internet Sites

During this financial year we raised £178.39 from searches and supporters shopping through the social enterprise search engine Everyclick. People using the search engine earn funds for the charity for their nominated charity every time they search the internet without having to spend a penny and can earn extra funds for their charity when they shop on-line. Supporters can also donate through the search engine (funds raised through straightforward donations are covered under individual one-off donations earlier in the report). We have tried to encourage our supporters to sign up to this and by the end of the financial year had 106 supporters signed up for Community H.E.A.R.T.

Easyfundraising is another site we are signed up to. The site has over 500 retailers that donate to your nominated charity every time you shop on-line. As we only raised just over £15.03 last year and have only 6 supporters and it raised nothing this year we have concentrated our efforts on everyclick. We have not closed our page so there may be small amounts raised in the future.

We are also registered with the Big Give, a free site which encourages donations to charities and their project. We have two projects registered and in this financial year raised £60.00.

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COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2016

Fundraising Charity Dinner

During this financial year we organised a fundraising dinner to celebrate our 20th year. The dinner took place in the South African High Commission in London on the 22nd of May 2015 and raised just under £9,000.

In 2016/17 we are organising a fundraising dinner in Glasgow and are considering holding a fund raising dinner in 2017 to celebrate at the South African High Commission.

Grant Making policy

The Director was authorised to make grants within the aims and objectives of the organisation in consultation with the chair and members of the Board of Directors. In this financial year as reported, no grants were paid directly from Community H.E.A.R.T. funds. We ask that financial and annual reports are made available to us. We do not make grants to individuals.

Financial Review

Income and Expenditure

The work of Community H.E.A.R.T. continued. The overall income of the organisation fell to £71,282 from £82,347. This reduction is largely due to there having been no grants received in the financial year compared to £21,344 in 2014/15. Regular donations from individuals and trade unions rose slightly from £22,832 to £23,140. The organisation is working to increase regular donations to allow us to plan future activity. The organisation is not complacent as the financial situation in the UK is still very difficult. The total received in Gift Aid was £3,179 down from £3,455 last year. We also received £602 in interest from our South African bank accounts up from £801.

Trade Unions and Payroll Giving

We have received donations in a number of forms from trade unions. We receive regular donations from a number of trade unions branches and regions. These regular donations are very important to ensure the projects supported and Community H.E.A.R.T. can plan for the future. Thanks to all those trade union branches, regions and members who have made these regular contributions over a number of years and to those that have now signed up to regular donations. Overall we received £9,580 from trade unions in this financial year.

The consortium, Interact for Change, involving three other charities UNISON Welfare, Terence Higgins Trust and Shelter in a payroll giving scheme, this financial year the funding raised through this was £4,497.21.

Individual Donations

We have a number of individuals that give regular donations and have done so over a number of years. These donations and one-off individual donations brought funding of just under £21,881 (including donations made on-line) into the organisation.

Direct Mail

Community H.E.A.R.T. carried out 2 direct mailings in this financial year raising £1,764.15 (this includes £161.55 raised from Christmas cards). A newsletter is produced for each mailing to keep our supporters informed about the projects supported and any other developments.

Large Donations

There was one large donation of £20,000 as detailed earlier.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

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COUNCIL MEMBERS REPORT for the YEAR ended 30th APRIL 2016

Expenditure

Total expenditure in this financial year was down to £67,106 from £84,899 in 2014/15. The decrease is mostly due to reduced payments of grants in the financial year. Due to the difficult financial situation we have endeavoured to reduce our overheads where possible.

The expenditure on grants amounted 29.8%, projects (including the Book and 10 Pence campaign) amounted to 50.3% and fundraising and publicity amounted to 19.9% (please note part of this will be offset by sponsorship of campaigns).

Volunteers

It is important at this point to highlight the work of volunteers as this work would be an expense to the organisation without their work. This is especially true of transportation, packing, sorting, storing and loading of books. Many people have been involved in this but special mention has to be made of, ACTSA Scotland, the FBU, Alan Anderson, Bob Bruce, Anne McCormack, Joy Hart, Peter Latham and Nat and Elsa Perez. It is difficult to calculate this contribution, in many cases transportation costs are covered by the volunteers, but it is a substantial saving to the organisation.

Mmapula Tladi-Small has also been of great help to the organisation with reports on our projects when she has visited in South Africa. This is also the case with Nat & Elsa Perez who have also visited and reported back on a number of our projects in the past. As Board Members their expertise and enthusiasm will enable the organisation to develop in the future.

Reserves Policy

We seek to have sufficient funds in hand to be able to function for 6 months, this is a revision from 3 months in line with many organisations in the sector, we are trying to build up to this amount though the difficult financial situation in the UK means this has taken longer than expected. It is difficult to mention a specific sum because the amount we need is determined not only by fixed overheads, rent etc. and salaries but by variable timing of gifts of books etc. and therefore the amount of shipping we shall need to undertake. We have assumed for these purposes at least two containers a year will be despatched. This would require a reserve of £20,000 and we hope to reach this in future years. The board will review the reserves policy on an annual basis.

Plans for the Future

The organisation will reach our goal of 3 million books to set up school libraries in South Africa in the next financial year. This has been an on-going campaign for the organisation and we will continue to work with organisations in the UK to reach this goal. This is an important campaign which has gained praise and recognition in South Africa as an important way of addressing the education of young people in the area. This is documented by an extract from a letter received in June 2011 from Busi Dlamini Multi Media Unit Head in Gauteng Education Department which states, "The Gauteng Education Department in SA has been a recipient of donated books from Community H.E.A.R.T. since 2000. More than 500 schools in Gauteng and Mpumalanga, Limpopo and North West Provinces have received books for use in the classroom. The books ensure that learners have access to attractive, readable information and reading resources. The books have inspired (in the most disadvantaged) schools to establish or revitalise libraries. Of particular value is the fact that Community H.E.A.R.T. takes the trouble to ensure that the books sent to South Africa are relevant and of good quality." We plan to re-launch the campaign in the next financial year with a new target of 4 million books.

We plan to hold two fundraising dinners a year to increase our funds and the support we give to projects in South Africa.

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COUNCIL MEMBERS REPORT
for the YEAR ended 30th APRIL 2016

The Council confirms these financial statements comply with current statutory requirements, the Charity's constitution and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16th July 2014 and that they have complied with the duty of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including the guidance on public benefit.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the board on 27th January 2017 and signed on its behalf by

Mr I I Perez
Director

I. I. Perez

27/1/2017

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

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Independent Examiner's report to the trustees of Community Health Education and Reconstruction Training

I report on the accounts for the year ended 30th April 2016, which are set out on pages 13 to 20.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.


Basis of independent examiners' report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company 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, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiners' statement

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

- which gives me reasonable cause to believe that in any material respect the requirements
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



T. A. R. Elston BA FCA
Percy Westhead & Company
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30 January 2017

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income and Expenditure Account)
for the YEAR ended 30th APRIL 2016

	<u>Notes</u>	<u>2016</u> <u>Restricted</u> <u>Funds</u> £	<u>2016</u> <u>Unrestricted</u> <u>Funds</u> £	<u>2016</u> <u>Total</u> <u>Funds</u> £	<u>2015</u> <u>Total</u> <u>Funds</u> £
INCOME FROM					
Donations, legacies and similar incoming resources		24,510	41,304	65,814	59,884
Income from charitable activities					
Grants receivable	3	-	-	-	21,344
Book and 10 pence appeal		4,866	-	4,866	317
Investment income					
Interest on bank deposits		-	602	602	802
TOTAL INCOME		<u>29,376</u>	<u>41,906</u>	<u>71,282</u>	<u>82,347</u>
EXPENDITURE ON					
Raising funds					
Fundraising and publicity		-	13,789	13,789	11,739
Charitable activities					
Grants payable	4	20,000	-	20,000	45,162
Book and 10 pence appeal		26,917	-	26,917	20,461
Other projects		-	6,400	6,400	7,537
TOTAL EXPENDITURE	5	<u>46,917</u>	<u>20,189</u>	<u>67,106</u>	<u>84,899</u>
Net income/(expenditure) before transfers	6	(17,541)	21,717	4,176	(2,552)
Transfers between funds	12	22,051	(22,051)	-	-
Other recognised gains and losses					
Unrealised gains/(losses) on exchange		-	(1,379)	(1,379)	523
Net movement in funds		<u>4,510</u>	<u>(1,713)</u>	<u>2,797</u>	<u>(2,029)</u>
Reconciliation of funds					
Total funds brought forward as at 1 st May 2015		4,841	10,877	15,718	17,747
Total funds carried forward as at 30th April 2016		<u>9,351</u>	<u>9,164</u>	<u>18,515</u>	<u>15,718</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 12 to the financial statements.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

(Registered number 3016170)

BALANCE SHEET
As at 30th APRIL 2016

	<u>Notes</u>	<u>£</u>	<u>2016</u> <u>£</u>	<u>2015</u> <u>£</u>
Tangible fixed assets	8		91	112
Current assets				
Debtors	9	478		344
Cash at bank and in hand		<u>19,990</u>		<u>17,320</u>
		20,468		17,664
Creditors amounts falling due within one year	10	<u>2,044</u>		<u>2,058</u>
Net current assets			<u>18,424</u>	<u>15,606</u>
Net assets	11		<u>18,515</u>	<u>15,718</u>
Funds of the Charity				
Restricted funds			9,351	4,841
Unrestricted funds:				
General funds			<u>9,164</u>	<u>10,877</u>
Total funds	12		<u>18,515</u>	<u>15,718</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30th April 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 30th April 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Approved by the board on 27th January 2017 and signed on its behalf by

Mr I I Perez
Director

I. I. Perez

27/1/2017

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2016

1. Accounting policies

- (a) The financial statements have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16th July 2014, the Financial Reporting Standard for Smaller Entities (FRSSE), and the Charities Act 2011 and applicable regulations.
- (b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.
- (c) Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable, unless they relate to a specific future period, in which case they are deferred.
- (d) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- (e) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- (f) Staff costs are allocated to activities on the basis of staff time spent on those activities.
- (g) The costs of generating funds relate to the costs incurred by the charitable company in raising funds for the charitable work.
- (h) Expenditure is recognised in the period in which it is incurred and is allocated to the particular activity where the cost relates directly to that activity. Expenditure includes attributable VAT which cannot be recovered.

Support and governance costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements. These are allocated to particular activities on the basis of staff time and trustee meeting time spent on those activities.

- (i) Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:-

Office equipment	15% reducing balance basis
Computer equipment	25% reducing balance basis

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

- (j) Grants payable are made in accordance with the stated objectives of the charitable company.
- (k) Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arising at the net incoming resources for the year.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the YEAR ended 30th APRIL 2016

2. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

3. Grants receivable

	<u>2016</u> <u>Restricted</u> <u>Funds</u> £	<u>2016</u> <u>Unrestricted</u> <u>Funds</u> £	<u>2016</u> <u>Total</u> <u>Funds</u> £	<u>2015</u> <u>Total</u> <u>Funds</u> £
Eden Charitable Trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,344</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,344</u>

4. Grants payable to institutions

	<u>2016</u> £	<u>2015</u> £
Abadala (Ikamva Labantu)	-	3,268
Kronendal Music Academy	-	550
Amakhaya Ngoku	-	21,344
HOKISA	<u>20,000</u>	<u>20,000</u>
	<u>20,000</u>	<u>45,162</u>

Further information regarding the nature of the grants made can be found within the council members' report on pages 2-11.

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
for the YEAR ended 30th APRIL 2016**

5. Total resources expended

	<u>Fundraising and Publicity</u>	<u>Grants Payable</u>	<u>Book & 10 pence Appeal</u>	<u>Other Projects</u>	<u>2016 Total</u>	<u>2015 Total</u>
	£	£	£	£	£	£
Grants payable	-	20,000	-	-	20,000	45,162
Travelling expenses	1,108	-	-	-	1,108	34
Events	5,015	-	-	-	5,015	400
Printing, postage and stationery	1,266	-	43	-	1,309	3,802
Premises	-	-	5,682	-	5,682	5,353
Shipping, storage and packing	-	-	4,703	-	4,703	-
Support and governance costs (see note below)	5,950	-	17,389	5,950	29,289	30,148
Total resources expended	<u>13,339</u>	<u>20,000</u>	<u>27,817</u>	<u>5,950</u>	<u>67,106</u>	<u>84,899</u>

Support and governance costs

These costs have been apportioned based on an estimate of staff time and trustee meeting time spent on each activity.

Staff costs	5,113	-	15,340	5,113	25,566	25,428
Travelling expenses	144	-	431	144	719	670
Printing, postage and stationery	87	-	260	87	434	1,018
Telephone, E-mail and fax	47	-	140	47	234	297
Accountancy	450	-	900	450	1,800	2,160
Bank charges	8	-	16	8	32	65
Sundry expenses	3	-	7	3	13	13
Insurance	94	-	282	94	470	470
Depreciation	4	-	13	4	21	27
Total support and governance costs	<u>5,950</u>	<u>-</u>	<u>17,389</u>	<u>5,950</u>	<u>29,289</u>	<u>30,148</u>

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the YEAR ended 30th APRIL 2016

6. Net incoming/(outgoing) resources for the year

	<u>2016</u>	<u>2015</u>
	£	£
This is stated after charging:		
Council members' expenses	-	-
Depreciation	21	27
Independent examiner's remuneration	<u>1,800</u>	<u>2,160</u>

7. Staff costs and numbers

Staff costs were as follows:-

	<u>2016</u>	<u>2015</u>
	£	£
Salaries and wages	25,566	25,429
Social security costs	-	-
	<u>25,566</u>	<u>25,429</u>

No employee earned more than £60,000 during the year (2015 – none).

No remuneration was paid to council members during the year (2015 – none).

The average monthly head count was 2 (2015: 2). The average monthly number of employees (full-time equivalent) during the year was as follows: -

	<u>2016</u>	<u>2015</u>
	<u>No.</u>	<u>No.</u>
Other Projects	0.375	0.375
Book & 10p Appeal	0.75	0.75
Governance costs and fundraising	<u>0.375</u>	<u>0.375</u>
	<u>1.50</u>	<u>1.50</u>

Staff costs are allocated to activities on the basis of staff time spent on those activities as follows:-

	<u>2016</u>	<u>2015</u>
Book & 10p Appeal	50%	50%
Other Projects	25%	25%
Fundraising & Publicity	25%	25%

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the YEAR ended 30th APRIL 2016

8. Tangible fixed assets

	<u>Computer Equipment</u> £	<u>Office Equipment</u> £	<u>Total</u> £
COST			
At 1 st May 2015 and at 30 th April 2016	<u>5,004</u>	<u>1,626</u>	<u>6,630</u>
DEPRECIATION			
At 1 st May 2015	4,960	1,558	6,518
Charge for the year	<u>11</u>	<u>10</u>	<u>21</u>
At 30 th April 2016	<u>4,971</u>	<u>1,568</u>	<u>6,539</u>
NET BOOK VALUE			
At 30 th April 2016	<u>33</u>	<u>58</u>	<u>91</u>
At 30 th April 2015	<u>44</u>	<u>68</u>	<u>112</u>

All tangible fixed assets are used for direct charitable purposes.

9. Debtors

	<u>2016</u> £	<u>2015</u> £
Income Tax reclaimable	<u>478</u>	<u>344</u>
	<u>478</u>	<u>344</u>

10. Creditors: amounts falling due within one year

	<u>2016</u> £	<u>2015</u> £
Sundry creditors	244	258
Accruals	<u>1,800</u>	<u>1,800</u>
	<u>2,044</u>	<u>2,058</u>

11. Analysis of net assets between funds

	<u>2016 Restricted Funds</u> £	<u>2016 General Fund</u> £	<u>2016 Total Funds</u> £
Tangible fixed assets	-	91	91
Current assets	9,351	11,117	20,468
Current liabilities	<u>-</u>	<u>(2,044)</u>	<u>(2,044)</u>
Net assets at 30th April 2016	<u>9,351</u>	<u>9,164</u>	<u>18,515</u>

COMMUNITY HEALTH EDUCATION AND RECONSTRUCTION TRAINING

(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the YEAR ended 30th APRIL 2016

12. Movements in funds

	<u>At</u> <u>1st May</u> <u>2015</u> £	<u>Incoming</u> <u>resources</u> £	<u>Resources</u> <u>expended</u> £	<u>Transfers</u> <u>between</u> <u>funds</u> £	<u>At</u> <u>30th April</u> <u>2016</u> £
Restricted funds					
Abadala (Ikamva Labantu)	1,256	2,488	-	-	3,744
Book & 10 pence appeal	-	4,866	(26,917)	22,051	-
Ububele	3,525	2,022	-	-	5,547
Goldberg Music Fund	-	-	-	-	-
Hokisa	-	20,000	(20,000)	-	-
Amakhaya ngoku	-	-	-	-	-
Science Bus	60	-	-	-	60
Total restricted funds	<u>4,841</u>	<u>29,376</u>	<u>(46,917)</u>	<u>22,051</u>	<u>9,351</u>
Unrestricted funds					
Soweto Schools	20	-	-	-	20
General fund	<u>10,857</u>	<u>41,906</u>	<u>(21,568)</u>	<u>(22,051)</u>	<u>9,144</u>
Total funds	<u>15,718</u>	<u>71,282</u>	<u>(68,485)</u>	<u>-</u>	<u>18,515</u>

Purposes of funds:

Funds are used for the purposes specified by the funders, as highlighted in the council members' report on pages 2 – 11.

All restricted funds in deficit at the year-end have been subsidised through the general fund.