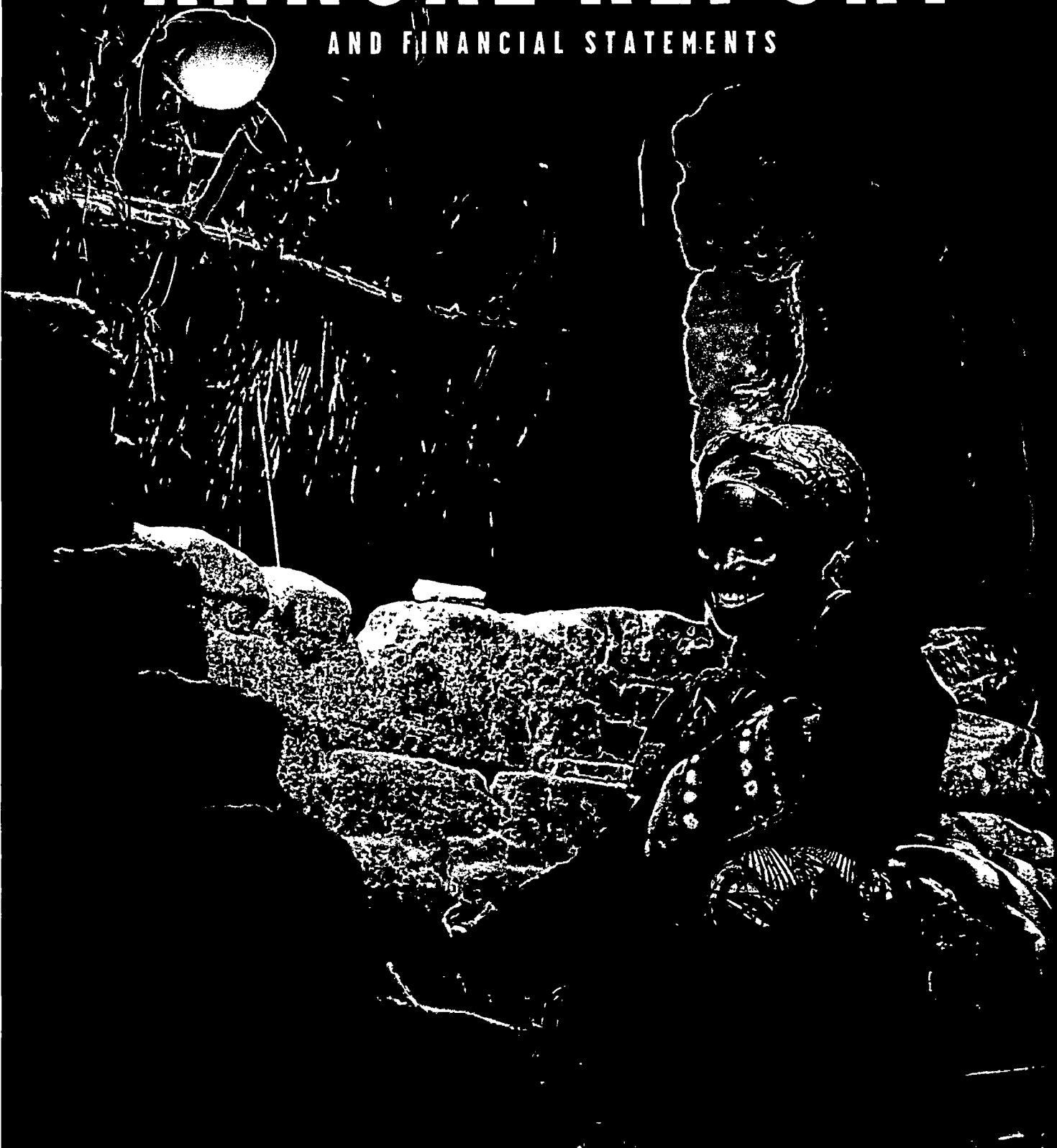


2021 - 2022

ANNUAL REPORT

AND FINANCIAL STATEMENTS



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COMPANIES HOUSE

OUR STORY SO FAR

WHY WE EXIST

Nearly 600 million people across sub-Saharan Africa lack electricity. When the sun goes down, the working day ends and the only option is to use battery powered torches or ignite kerosene lamps or paraffin candles, which emit toxic fumes into people's lungs and into the earth's atmosphere.

With the power of solar and the flick of a switch, we are changing this story.

Since 2006, SolarAid has distributed over 2.2 million solar lights across rural sub-Saharan Africa, reaching the places no one else goes to. And we won't stop there. We know that every time someone switches on a solar powered light, it's an instant win for both people and the planet, so we have made it our mission to light up every home, school, and clinic in Africa by the end of the decade with clean, safe, solar power.

With every light delivered to the hands of a farmer, a school child, or a midwife - we are making real sustainable change happen.

OUR SOCIAL ENTERPRISE

SolarAid is funded by donations from individuals who share our concern for climate change and are motivated to help people benefit from solar energy, along with corporate partners who share our values, and grants from an array of trusts and foundations to fund our innovations. Donations enable SolarAid to innovate and devise viable business models that allow our lights to reach the most rural people and places.

Donations also allow us to run our social enterprise, SunnyMoney. We have learnt the best way to ensure universal access to energy and to make lasting change happen faster, is to build local, sustainable businesses and involve communities. Income from sales of solar lights are reinvested into the organisation, allowing our lights to reach the people and places otherwise left behind.

This business based approach helps us bridge the market gap between emerging enterprises and people living below the poverty line. It means we can invest in bold ideas that carry risk. We can model the market and act as a building block that both businesses and governments can help scale. And finally, we can bridge the knowledge gap in how to set up sustainable solar solutions that local communities and other non governmental organisations need.

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MESSAGE FROM THE CHAIR

MIRJANA ŠKRBA

The year of this report saw SolarAid expand and strengthen its operations, all thanks to our supporters' generous donations and the significant funding received from our key corporate partner, Statkraft.

Our priority remains - providing sustainable energy access to the poorest homes, schools and health facilities in last mile rural communities in sub-Saharan Africa through seeding and supporting small solar businesses for the distribution and sale of lights.

Through investing in building our support base and in engaging with the wider movement to achieve universal access to sustainable energy, we have been able to continue testing ways of mobilising accessible, affordable financing for end-users and enterprises.

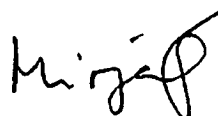
Our project Light a Village project is a good example of this. It seeks to unlock an effective way to deploy solar power to entire villages.

Local contexts require locally designed solutions. Working directly with the communities is central to our energy access efforts. Part of a sustainable solution includes providing the beneficiaries with the capacity and skills to maintain and repair the systems installed. To accelerate the progress needed to achieve SDG7 by 2030, we are keen to share our ways of working and lessons learnt, so that others may adapt the models to their own local initiatives, so we continue to build strong partnerships with the wider NGO and private sectors and government agencies.

However, humanity continues to face daunting challenges - the COVID-19 pandemic damaged health programmes, closed schools and squeezed economies across the continent. There are still infrastructure problems that hamper logistics, as well as high energy prices, tax and customs burdens and rising costs. There are mounting dangers from climate change as well as impacts from regional disturbances with global impact in our interconnected world - the war in Ukraine this year has sparked an energy crisis and raised food prices across the world.

Amongst all this uncertainty, we believe there is hope in granting access to solar light to all, improving people's quality of life and chances of success.

We can only do this with our donors' continuing support. We would like to thank staff and volunteers for their dedication and teamwork, and we are grateful to all who have contributed towards our mission.



Mirjana Škrba, Chair of Trustees



WELCOME FROM OUR CEO

At SolarAid, we do not just dream of creating a world where everyone has access to clean renewable energy - we take action.

It is incredible to think that, since we were set up in 2006, today 101 million people are lighting up their evenings with solar energy across the continent each and every day.

SolarAid has played a pioneering role in helping make this happen, but with 660 million people projected to be without power by 2030, and 3 in 4 health facilities across the continent without reliable access to electricity, we still have a long way to go. Our mission is to change this, so that every home, school and health facility across Africa has access to solar light and power by 2030.

But we do not intend to achieve this alone. Nor can we. As we focus on developing practical, innovative, ways to bring solar solutions to those who need them the most, we also seek to scale up by working in partnership with governments and NGOs and collaborating with the growing number of solar actors operating across the continent.

I am proud of our teams who work hand in hand with rural communities every day to bring solar lights and power to rural communities. They have been actively implementing ground breaking projects designed to overcome the barriers which prevent many from accessing solar power. When I visited one of our projects in one of the poorest, most remote communities in Ntchisi, Central Malawi this year, it was humbling to see so many families using solar panels for the first time to light up their homes at night. This was a glimpse of the future we want to see across the continent and it shows us that real, sustainable change can happen overnight.

As we continue to develop this work, the next step will be sharing what we learn and helping others to replicate successful projects in new areas. It's challenging, but it's also incredibly rewarding.

In this report, I'm excited to share with you how we, with your support, have launched a series of exciting new projects, all with the goal of bringing solar light and power to people who otherwise live without. Alongside continued support for solar entrepreneurs, with a particular focus on women, these projects include subsidy trials to help light homes and projects which use the latest solar technologies to light up low income homes together with rural schools and health facilities.

The report also details how we have continued building partnerships and sharing how we work and what we learn so that others can benefit and replicate what we do, to reach more people.

With the world facing the combined threat of the climate and energy crisis, never has it been more important to bring solar light and power to the world's poorest, most vulnerable communities. For this reason, we will not stop until we achieve our dream of a world where everyone has access to clean, renewable, energy.

John Keane, CEO, SolarAid

2,203,112 SOLAR LIGHTS

DISTRIBUTED BY SOLARAID



Eness Naliwa,
Mayi Walas solar entrepreneur, Malawi

"My house has changed. When it is dark my children are able to use the solar lamp for cooking and studying. Food scarcity is no longer a big challenge, because we were using our money to have light."

of customers in Zambia say quality of life "very much improved" since getting a solar light.

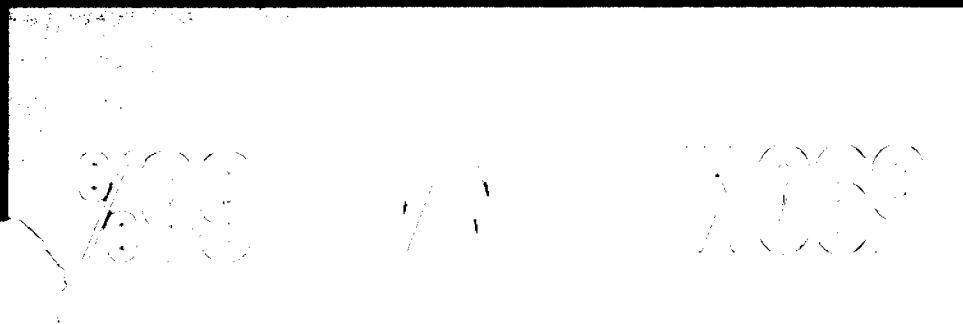


of customers in Malawi say they have been able to pay for their children's education since getting a solar light.

78%

of customers in Malawi say they have been able to pay for their children's education since getting a solar light.

86%



BUDAPEST
MARATON



BUDAPEST
MARATON



Ricardo Cordeiro de Sousa running the Budapest Marathon

YOU ARE AMAZING

We are particularly grateful for the donations we receive from individuals throughout the year in response to our appeals and regular contributions. If this includes you - thank you - you truly are amazing.

We know that many of our supporters are concerned about the climate crisis and at the same time wish to do something that helps people. Our supporters are attracted by how provision of light powered by the Sun makes an instant impact on someone's life. Here are some of the reasons that have been shared with us on why people support us:

"Because I believe that saving the planet and saving its people go hand-in-hand, if you can empower more and more communities with solar-powered electricity, the rest of the world will follow suit".

"I appreciate the gains for both people and environment that solar energy brings."

In addition, we know many individuals show friends the solar lights bought via our shop, which are the same robust models we use in Africa, helping to spread the story of SolarAid's work.

It doesn't stop at donations - we are always taken aback by the creative ideas and the extraordinary lengths someone will go to raise additional funds for SolarAid.

Multiple marathon efforts - from the Arctic to the Sahara desert

Recovering from COVID-19, including a point when he could hardly run up the stairs, Ricardo Cordeiro de Sousa took on the challenge of running multiple marathons for SolarAid. He's already done four, including one in the Arctic, and has more lined up. Meanwhile, Jon Cross, having not run a marathon for 20 years, took on the ultra Marathon des Sables - 250km over sand dunes in 40 degree heat. Both these incredible fundraisers share SolarAid's spirit of setting an ambitious goal.



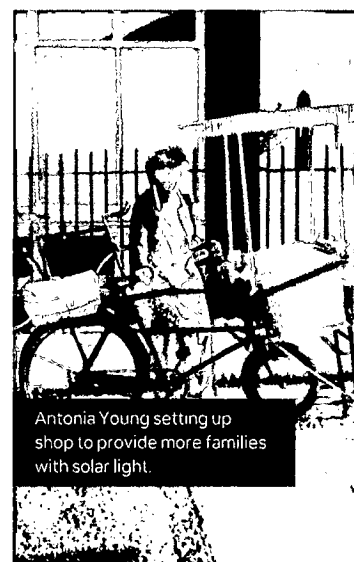
Jon Cross taking on the ultra Marathon des Sables

Ice cream aid

Antonia Young got inspiration from the Sun in a different way - selling ice cream to her neighbourhood in support of SolarAid. During the lockdown she wrote a children's book - 'The Magic Suncatcher' - which you can now buy in our online store.

Living without electricity

A special shout out to the students and pupils of Brunel Primary school who once again did their fundraiser going without electricity. Inspired by the "Night Without light" fundraiser created by the Singapore American School we are now promoting this as a fundraising event each year that anyone can participate in.



Antonia Young setting up shop to provide more families with solar light

MALAWI

SolarAid first opened its office in Malawi, one of the poorest countries in the world, in 2006. With a growing population of 18.6 million people, over half of the population in Malawi live below the poverty line. In 2021, only 6.6% of the rural population had access to electricity.

In recent years, Malawi has suffered the consequences of climate change. As cyclones such as Cyclone Idai and Cyclone Ana swept through the country's Southern regions, infrastructure has failed in many areas. In many cases, rural communities have been cut off from the main roads connecting them to towns and cities as well as from the national electricity grid causing load shedding and a shortage of petrol.

Through SolarAid's social enterprise model and by working in partnerships with organisations, from governmental bodies to grassroot NGO's, SolarAid are able to deliver innovative solutions bridging these challenges and creating real, sustainable change. Since 2008, we have impacted an estimated 1.7 million in Malawi.

Across the country, we have continued establishing and supporting energy businesses, led by solar entrepreneurs known as 'Super Agents' who are able to provide sustained access to solar products within rural communities through a network of 766 entrepreneurs. In 2021 alone, this network brought solar light and power to 153,463 people. The aim is for these enterprises to continue to bring solar light and power to rural Malawians long after we have gone. Alongside this work, we have been developing new innovative projects which are designed to reach the poorest segments of society.

Our key strategic objective is to demonstrate that it is possible to achieve universal, sustainable, access to solar light and power within homes, schools and health facilities in 'focused, underserved, "last mile" areas. By demonstrating that this is possible and how this can be achieved, we will continue to actively influence wider change.

Alongside the impact of our direct interventions, we are using this work to:

1. Influence Government policy, action and change.
2. Provide blueprints and best practice for replication and adoption by partners, civil society, governments, the private sector, investors and donors.

Over the past 12 months we have been actively implementing a series of exciting projects, all aimed at increasing access to solar light and power.

Leading example of this work include:

- Supporting 20 Light Libraries within rural schools, enabling the poorest students to access solar light, together with library books supplied by our partners Book Aid International. We have now created a Light Library toolkit to help other schools and education NGOs replicate this model.
- Established 108 Mayi Wala groups - groups of women solar entrepreneurs - who now have access to solar lights, finance and training to help them distribute solar lights within remote rural communities.
- Launched our innovative 'energy as a service' light a village project in one of the poorest communities in the country, which is now lighting up over 500 low income homes and 10 rural schools, with plans to expand this model in the coming year as we continue to learn 'what it takes' to light up whole communities and how the private sector, civil society and governments can partner and scale the model across the country.

ZAMBIA

SolarAid has operated in the vast land-locked country of Zambia since 2008.

With 59% of households in Zambia earning less than the international poverty line of \$1.90 per day, household income is modest. Educational levels are low with 79% of girls finishing primary school in Zambia, and only 54% progressing to secondary school.

Together with its neighbours, Zambia is suffering from the brutal effects of climate change. In a country where the rural economy is dominated by small scale farmers, unpredictable rainfall patterns are putting vulnerable communities at risk of starvation and malnutrition. Rural economies are suffering, while prolonged dry spells in recent years is negatively impacting every aspect of society with power shortages across the country, with water levels in the main hydroelectric Kariba dam falling to record lows.

Over the past year, SolarAid has continued to bring solar light and power to the rural homes and health facilities most in need. Our social enterprise currently supports over 200 entrepreneurs and has distributed over 350,000 solar lights sold across the country, impacting an estimated 1.7 million people. There has also been progress in recent years with more solar actors entering the market. Yet with just 14% of the rural population enjoying access to grid electricity, and with the poorest people struggling to afford access to many solutions on offer, there is still much to do.

Alongside the distribution of solar lights, we have also brought light and power to 10 rural health facilities pairing the latest plug and play solar systems with energy efficient medical appliances in order to demonstrate to other NGOs and the Ministry of Health how quickly such systems can be deployed and to learn more about the impact these interventions have on improved health care provision. The results have been encouraging, demonstrating that, with the right supporting infrastructure in place, these solutions can be rapidly deployed at low cost and have an immediate impact.

As part of our strategy to leave no one behind and recognising that many low income households struggle to afford solar lights, we launched the first in a series of micro-finance pilot projects.

the cost of solar lights for low income households. The results showed a significant increase in uptake, helping people living below the poverty line to save money, while building the customer base for rural entrepreneurs.

As always, we openly share what we do and what we learn, so that others can replicate. SolarAid Zambia has also been leading the way in ensuring that customers can extend the life of their products, by training and supporting repair technicians. This work has included the creation of an open source repair mobile app which is not only being downloaded by technicians in Zambia, but also in countries across the continent such as Kenya, Tanzania and France. By giving solar lights a second life, and working in partnership with other actors to find new uses for products at the end of their life, we are reducing high levels of electronic waste.

In the coming year, we will continue innovating and delivering projects which not only bring solar light and power to more rural homes and communities being left behind, but crucially, we will be actively sharing what we learn and how we work, so as to encourage replication to accelerate change. We will also continue to support the Solar Industry Association of Zambia (SIAZ) in its aims to create an enabling environment which helps build a vibrant off-grid solar industry while working with like-minded partners with established networks across the country as we seek to accelerate access to solar light and power.

Solar entrepreneurs such as Rhoda Chibale can now make a living while bringing clean energy to her community, children such as Ashley Muchinga can read after dark, and healthcare workers such as Sister Grace Mkupa can now work throughout the night without having to worry about blackouts.

POWERING HOMES

As the sun sets across sub-Saharan Africa, millions of small paraffin candles and toxic kerosene lights are starting to flicker in homes across the continent. In many cases, they are being lit in an attempt to extend the day, so that children can do their homework and families can carry out household chores or work to earn extra income.

But the light levels are poor. The flames pollute the environment and people's lungs. The lights are dangerous, causing countless tragic accidents across the continent each year. Yet the only alternative is complete darkness. This reality, facing the world's poorest communities, limits opportunity. It harms quality of life and it traps families in poverty. Solar lights change this reality.

This is why SolarAid has launched new initiatives which have been designed to bring solar light and power to homes which have never been reached before. By working hand in hand with rural communities, schools and entrepreneurs, we identify barriers which prevent people from accessing solar lights and then explore solutions. Examples of this work include:

Helping customers overcome price barriers: We do this by enabling people to pay for solar lights in small, affordable, instalments either through the use of smart Pay-As-You-Go (PAYG) technology or through the local schools where we establish Solar Light Libraries. These libraries enable students to access solar lights, with the option of owning them over time. In the past year, we have also launched our exciting new Light a Village project. This project is bringing solar home systems to some of the poorest communities in Malawi through an 'energy-as-a-service' model which removes the barriers and risks which come with ownership.

Helping solar entrepreneurs scale up: We train and support local entrepreneurs so they can bring the lights to their communities, and through partnerships such as with Lendwithcare, we provide microfinancing models to give aspiring businesses support in accessing stock.

Reaching the last mile: As part of our commitment to ensuring that last mile communities have access to solar lights, and in recognition that women have a critical role to play to bring energy access to rural communities, we are proud to be training and supporting women solar entrepreneurs in Malawi as part of our Mayi Walas initiative.

All of this work focuses on the same outcome: Access to solar light and power to transform lives.



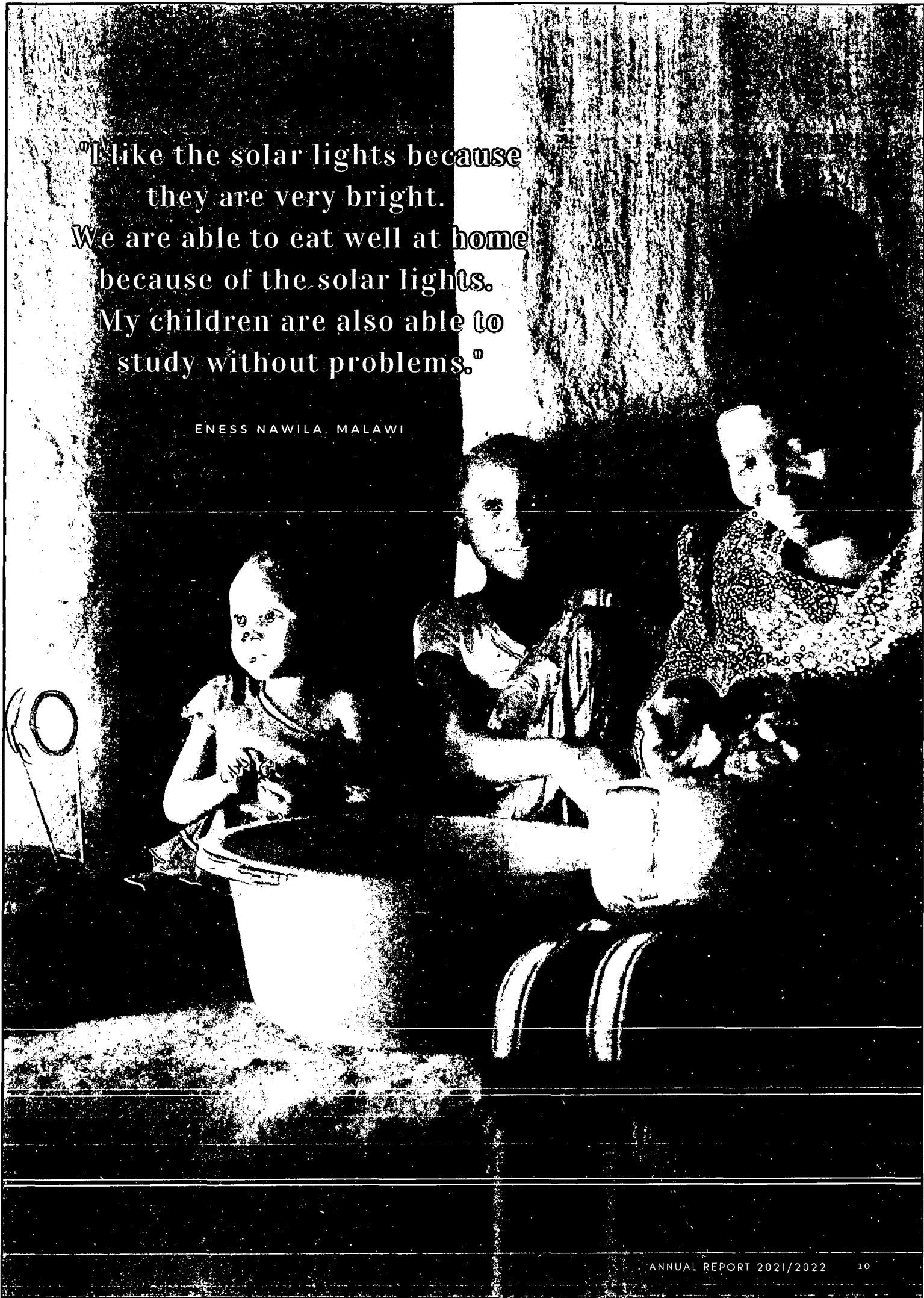
As part of our programme 'Light a Village' in Malawi, Patrisha Jenufalam's family now have a light switch on their wall.
Photo: SolarAid/Chris Gagnon

"I like the solar lights because
they are very bright.

We are able to eat well at home
because of the solar lights.

My children are also able to
study without problems."

ENESS NAWILA, MALAWI



POWERING SCHOOLS

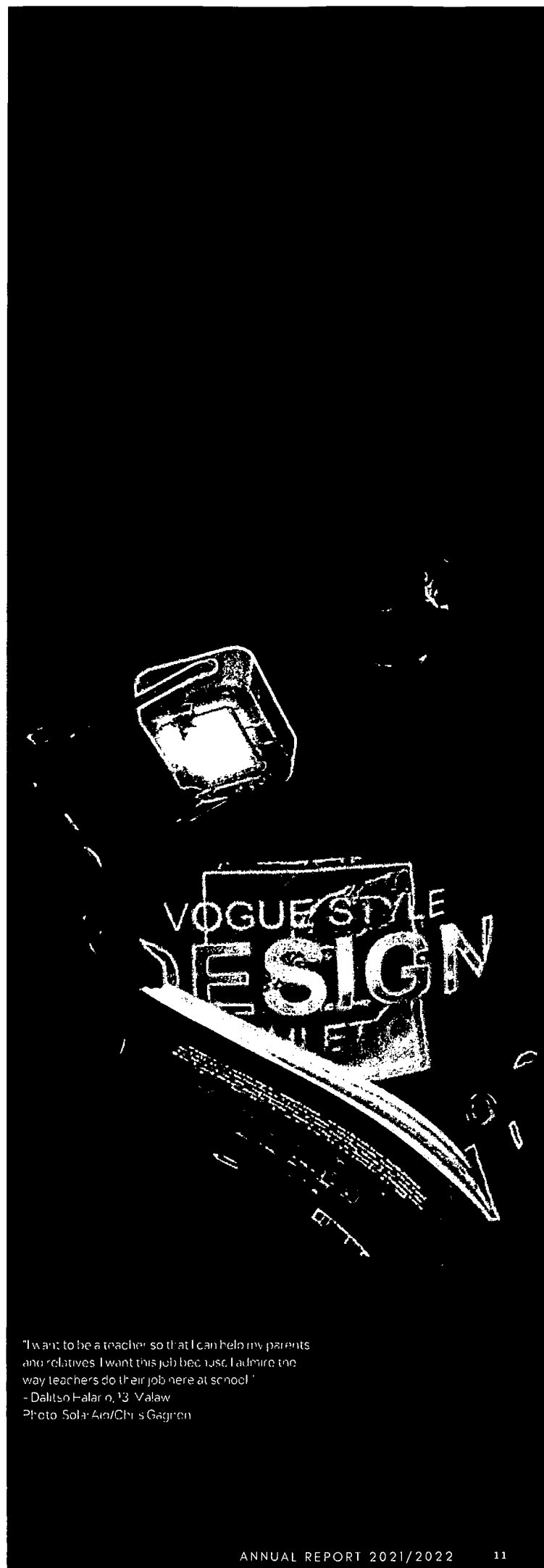
230 million children across the globe attend primary schools without electricity. Across sub-Saharan Africa, 65% of schools are unelectrified, with students living in rural areas where the majority of homes lack access to electricity. This means that, when it gets dark, students have less opportunity to study or do homework, while teachers have less time to prepare for the school day. This results in less opportunity for children, hindering long term development.

Access to light can lead to improved school attendance and performance levels, providing children the opportunity to study safely and schools the opportunity to open after dark.

Schools are also often at the heart of rural communities across Africa. SolarAid has successfully demonstrated over the past 15 years, that collaborating with education networks not only fast tracks access to solar light and power for students and teachers, but also the wider community. This is why we collaborate with education authorities, head teachers, community members and solar entrepreneurs to light up schools and bring solar lights to rural families. 2021 saw us launch new projects in collaboration with rural schools:

Light Libraries: In partnership with local education authorities and with Book Aid International, SolarAid brought Solar Light Libraries to schools in Malawi. These libraries are designed specifically to reach the poorest students and their families, enabling students to use a solar light in the evening. Each Light Library school is also equipped with a solar system which lights up classrooms. We have now developed a toolkit to enable organisations working with schools to replicate this model within schools across the continent.

Light a Village - Schools: 2021 also saw us launch our Light a Village model which has been designed with the goal of providing every home in a rural village with access to solar home systems through an 'energy as a service model.' Half way through the pilot, the local community requested to include schools within the programme. 10 schools are now accessing solar light and power through this model, with plans to reach more in the coming year.



"I want to be a teacher so that I can help my parents and relatives. I want this job because I admire the way teachers do their job here at school."

- Daliso Halaro, 13, Malawi

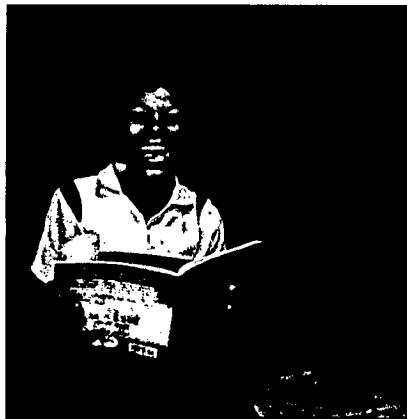
Photo: SolarAid/Chris Gagnon

FABRIOLA'S STORY

LIGHT ON THE PATH TO BECOMING A NURSE

The pitch black surrounds Fabriola Davidson, 15, as she sits outside her house in Tembetembe Village in Malawi, reading a book about engineering. But with a solar light firmly in her hand, the darkness is not affecting her.

"I was looking at things like computers and how pressure works. If I had a computer, first and foremost, I want to learn. So to avoid struggles when I go to nursing school."



Fabriola reading together with her sisters outside their home in Tembetembe Village, Malawi. Photo: SolarAid/Chris Gagnon.

Becoming a nurse is top of mind as Fabriola is studying for her exams. "I want to help the sick. I can work as a nurse and I will be earning money to help my poor relatives," she says.

Fabriola was struggling with her studies in the past. The family had to rely on torch light and to buy batteries every day to get light after the sun set and it was a strain on the family's budget. "If we do not have money to buy batteries, the children won't have time to study because we live in the dark," Fabriola's father, Davidson said.

Fabriola adds, "In the end I was not performing well in class because sometimes, I just read a little bit and the torch light went off. So I failed because I was not able to study enough."

But a light of hope has now arrived, and things are changing for the family.

At Fabriola's school a Light Library with solar lights provided by SolarAid and books provided by Book Aid International has arrived. For as little as 1p, this allows Fabriola to rent a solar light and a book to bring home with her. She is now able to study long after the sun has set. "I was happy because I knew that I would improve my performance in the classroom (...) When I borrow a book and a torch, I go home and I study in a quiet place so that nobody disturbs me."

Having access to solar light in the night time has not only improved Fabriola's study results, it has also benefited the whole family. "We use the solar light during eating, studying and when performing other different tasks," Fabriola says while also explaining that there is no Light Library at her siblings school, so they share. "I give it to them once I have finished studying so that they can also perform well in school."

The joy of the books and lights has also extended to Fabriola's parents, "When she comes home from school, she reads to me things that I cannot read. Her reading brings joy in my heart and I am encouraged that she has a future," says Fabriola's mum. Her dad in particular liked a book called 'Tambourine'. He says, "I like the story inside the book. It reminds me of my time back in school. The story shows how life moves from poverty to times of glory. Based on the story plot from poverty to glory. I thought a school child can also move from poverty to glory."

In an instant, access to a solar light can transform the future for a family.

POWERING HEALTHCARE

A staggering 3 out of 4 health facilities in sub-Saharan Africa lack access to reliable electricity.

Healthcare professionals are often forced to tend to patients in the dark, by candle light. Patients are left at greater risks of serious complications and healthcare workers face an increased risk of contracting diseases. In sub-Saharan Africa, where 200,000 women die of complications during childbirth each year, a particularly vulnerable group are women giving birth at night.

Plug-and-play solar systems, which can be rapidly deployed at low cost, can change this reality, literally overnight. This is why SolarAid has reintroduced Powering Healthcare programmes to both Malawi and Zambia.

In 2021, with the support of the UK Foreign, Commonwealth and Development Offices (FCDO) Frontier Technology Livestreaming programme, we partnered with Churches Health Association (CHAZ) to bring solar powered medical equipment and lighting to 10 rural health clinics.

In Malawi, with the support of our corporate partnership with ICG and in partnership with the Ministry of Health, we brought power and energy efficient medical appliances to 20 health facilities.

Together with Mzuzu University in Malawi, we also carried out research which identified why past efforts to electrify health facilities often failed. Two of the main challenges to effective widespread adoption of solar in healthcare settings are 1) Coordination and 2) Operation and maintenance support. This results in some facilities receiving multiple solar systems and in many cases, systems fall into disrepair due to lack of maintenance plans.

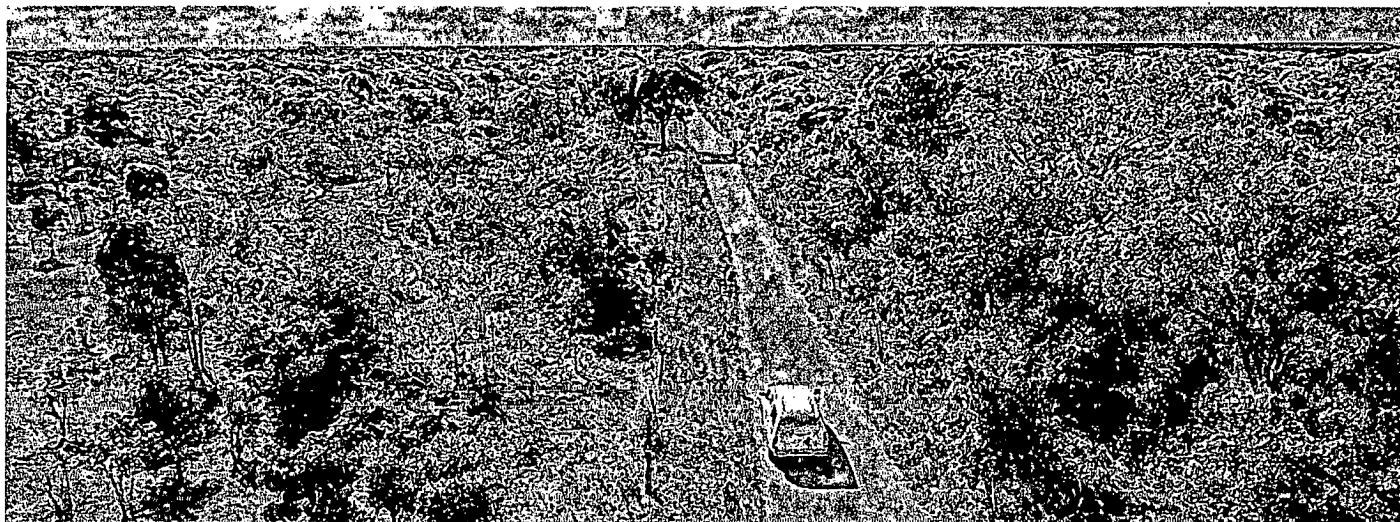
In order to bridge these issues, we are testing a new approach to direct implementation working with the Ministry of Health in Malawi. In addition, in consultation with UN Sustainable Energy for All, we are exploring how we can provide organisation of healthcare interventions on a national scale.



"We have a backup now, you can do anything at any time. When there is no electricity, you are able to come and work. I'm a night nurse and when there is no light at least we are able to work."

- Sister Grace Mkupa, Zambia

Photo: SolarAid/Jason J Mulikita



STATE OF THE SECTOR

AFRICA MISSION

SolarAid was founded to fight poverty and tackle the climate crisis, with a vision of helping create a world where everyone has access to clean, renewable energy. The main focus has always been on changing the day-to-day reality within communities across sub-Saharan Africa, where currently nearly 600 million people are without electricity at home.

Our mission is for each and every one of these people to have access to solar light and power by 2030. How we aim to achieve this has changed since we were established in 2006. In 2006, our job was to work with entrepreneurs across Africa to assemble small solar panels and lights as a viable alternative to candles and kerosene lights.

By 2010, new solar companies were making solar products specifically for use across rural Africa, but there was no awareness of these products and no solar market.

So - we focused on 'market catalysation' - increasing awareness, trust, demand for solar lights and building last mile distribution networks to serve these communities. Today, SolarAid's social enterprise alone has sold over 2.2 million solar lights.

But more importantly, our work has helped build a wider solar sector, with social enterprises now distributing solar lights and systems across the continent. We are proud of the role we have played in helping build this ecosystem.

There is still more to do, however. Millions of low income households are unable to afford the solar lights and systems now available on the market. Recent research estimates that, along with significant investment in the private sector, \$4.5 billion in grant funding is needed to address the affordability gap to ensure that everyone on the planet can access solar power at home.

It is also widely recognised that subsidies and game changing interventions are needed if we are to achieve universal access to energy by 2030.

It's a similar story when it comes to schools and health facilities. One billion people worldwide are served by healthcare facilities without reliable electricity. One in four health facilities in sub-Saharan Africa have no access. 62% of health facilities and 66% of schools report unreliable access to electricity, significantly impacting health and education. It is clear, therefore, that billions of dollars will be needed to close the electricity gap for public institutions in sub-Saharan Africa.

With access to electricity rates of just a few percent in rural parts of countries such as Malawi and Madagascar, whole communities are starved of the energy they need to develop rural economies and build resilience within the communities being hardest hit by the effects of climate change.

The good news is that solar lights and solar homes systems are the most cost-effective solution to electrify millions of off-grid homes, school, health facilities and businesses. Urgent action is needed, however, to ensure that no one is left behind. That's where SolarAid comes in.

We are able to develop new innovative models which prioritise bringing access to solar light and power in the poorest homes and most neglected communities. As always, our job is not to do this in isolation. We work hand in hand with rural communities, governments and also the private sector to test projects and demonstrate models which bring solar lights to those currently being left behind. This work can then, together with partners and the army of solar enterprises now operating across Africa, be scaled across the continent. Our goal is now simple: To close the gap, so everyone has access to solar light and power and no one is left behind.

REACHING THE HARDEST TO REACH

THE LAST MILE

MANY RURAL COMMUNITIES ACROSS AFRICA ARE LOCATED IN REMOTE LOCATIONS WITH LIMITED ACCESS TO SERVICES AND INFRASTRUCTURE.

REACHING THESE PLACES IS OFTEN EXPENSIVE AND TAKES A LONG TIME.

IN THESE RURAL COMMUNITIES AWARENESS OF, AND DEMAND FOR, SOLAR LIGHTS IS LIMITED YET IT IS IN THESE LOCATIONS WHERE THE IMPACT OF SOLAR LIGHTS CAN BE THE GREATEST

Selling solar light profitably in hard and expensive to reach locations is difficult. In turn, opportunities to access solar light and power in these locations are often extremely limited.

In Zambia, a country which is 3 times the size of the UK (752,614 km²), but with a population of only 18.7 million people, population density is low. SolarAid teams routinely travel hundreds of kilometres over days and weeks, crossing rivers and driving on dirt roads – which can become completely impassable during rainy seasons – simply to reach rural communities.

We do this because at SolarAid, we believe that everyone should have access to solar light and power – no matter where they live.

When our teams reach these locations, they work hand in hand with local community leaders, such as head teachers, in order to raise awareness and trust in solar lights. As community members start to use solar lights, we are able to build demand and effectively start to catalyse the market. The next step is to help establish and provide ongoing support for solar entrepreneurs who can supply solar lights within their local communities.

In deep rural areas like these, the cost of the work outweighs what comes back in the form of sales revenue. Private companies cannot afford to spend money trying to achieve significant market penetration in these areas.

That's where SolarAid comes in. We spend time and money raising awareness and creating demand for solar lights. We then work in partnership with communities to help set up supply chains so that they are always available. In doing so, our work is effectively subsidising the creation of solar markets which are able to grow over time.

As more and more people start to trust in, use and demand solar lights, over time, this enables solar enterprises to operate without further support.

"For me, solar is the best and I would like to have everything powered by solar because with solar, we always have the sun every day, it's a natural guaranteed thing."

- Mirriam Chikoya, solar light Entrepreneur, Zambia.
Photo: SolarAid/Jason J Mulikita

REACHING THE HARDEST TO REACH

MAKING SOLAR AFFORDABLE FOR ALL

AT SOLARAID, WE ARE ACTIVELY IMPLEMENTING PROJECTS WHICH ARE DESIGNED TO OVERCOME THE FINANCIAL BARRIERS PEOPLE MAY FACE IN ACCESSING SOLAR PRODUCTS.

WE THEN SHARE WHAT WE LEARN AND HOW TO IMPLEMENT IT, TO HELP OTHERS REPLICATE OUR WORK, AND ACHIEVE MAXIMUM IMPACT.

Solar entrepreneur, Penny Mupfeta in Zambia, is now able to enjoy time with his family in the evenings under the bright light of his Solar Home System.
Photo: SolarAid/ Jason J. Mulikita

In Zambia, we have successfully piloted an end-user subsidy model through our Schools Campaigns. By reducing the price of the most affordable solar light, in 2021 we have seen demand increase by up to 600% as we develop long term relationships with customers who can save money and potentially afford to go up the 'energy ladder' to access greater levels of life changing power.

Together with the Malawi Ministry of Education we are also making solar lights available to students who can either borrow them, or purchase them in affordable instalments on a 'rent-to-own basis' from their local school. A Light Library toolkit was published so others can replicate this approach across the continent.

In Malawi, together with the local community, we are also trialling an energy-as-a-service model which avoids the need to actually purchase a solar system. By providing households in the poorest communities in Malawi access to solar home systems for free, they only have to pay a small daily fee to access the energy. Alongside being affordable, the Light a Village model also removes the risk of purchasing and maintaining a solar home system.

We are further recognising that access to finance is critical to help businesses scale up, which is why we created the 'Financing Energy Businesses Cooperative' (FEBCO). FEBCO is the first of its kind - a cooperative that creates a credit facility by pooling entrepreneurs' own funds to leverage additional funds from external sources. This allows entrepreneurs to access working capital finance at affordable prices. We have now developed a 'how to guide', which will help other actors facing similar challenges to establish their own FEBCOs.

Through our partners Lendwithcare we have been providing accessible loans to solar entrepreneurs since 2019. 'Lenders' pool together to fund interest-free loans to entrepreneurs. These loans have supported the launch of new Mayi Wala businesses, enabled entrepreneurs to purchase solar light stock and supported them to continue their solar businesses during periods of financial challenges.

By continuing to form partnerships with a range of actors across the continent and as we showcase these models, share our learnings and design further subsidy trials, we are aiming to bridge the issue of affordability, allowing everyone across the continent to be able to afford access to solar light and electricity.



"My household has changed. When the solar business started, we saved the money in village bank. We bought a goat. It has a kid now."
- Liness Friday, Mayi Wala businesswoman in Malawi.
Photo: SolarAid/Chris Gagnon

INNOVATION, OPEN SOURCING AND PARTNERSHIPS

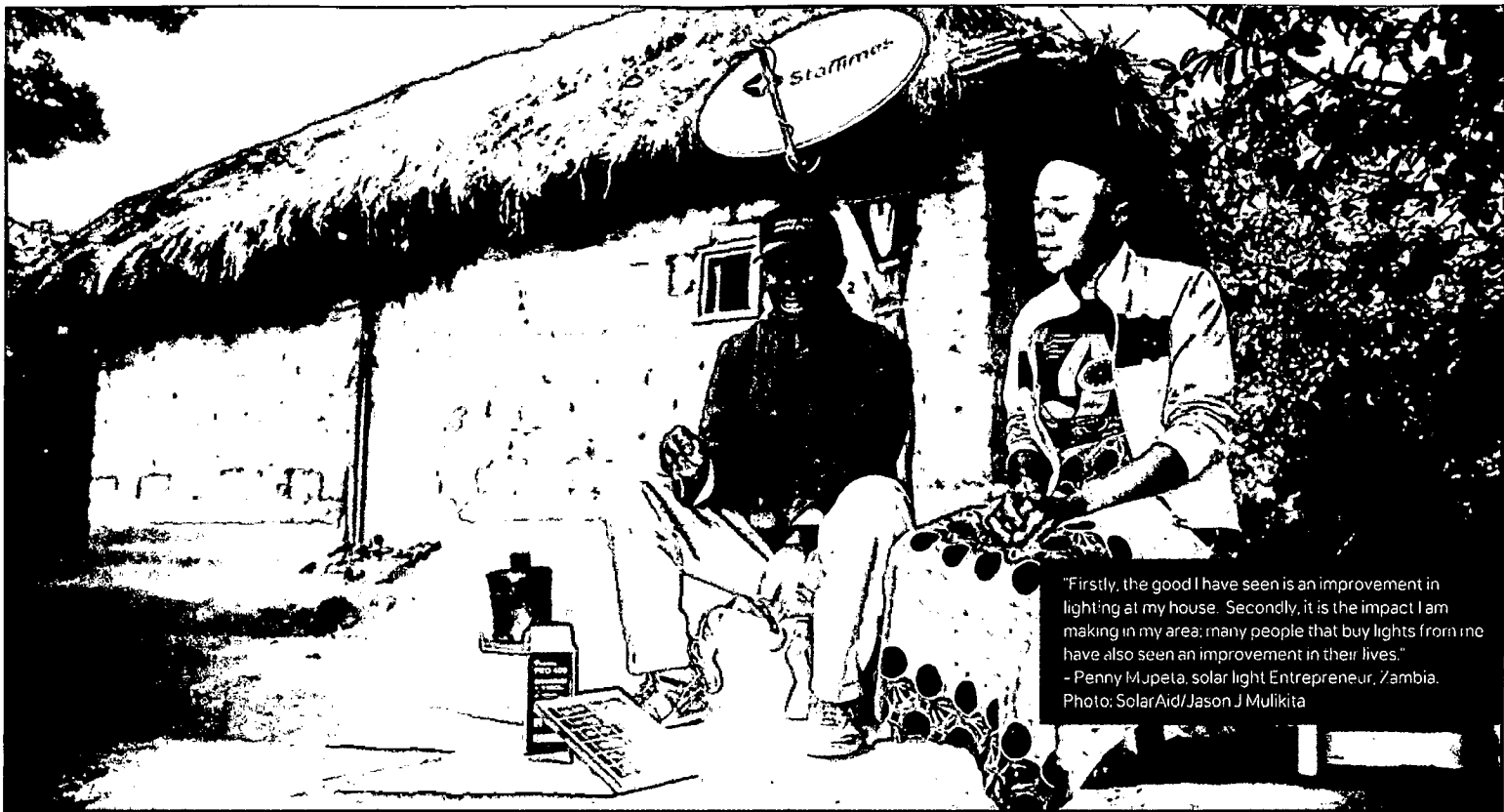
SolarAid is proud of the pioneering role it has played since 2006, increasing access to life changing solar light and power across sub-Saharan Africa. As a charity, we have always focused on the development of sustainable products and solutions.

There is, however, a limit to the number of people we can reach alone. That is why we are increasing our focus on working in partnership with the growing number of solar market actors operating across sub-Saharan Africa. To ensure energy access in homes, clinics and schools, we are forming partnerships with governmental institutions, NGO's and sector partners.

Over the past year, we have launched a series of projects, all of which have been designed to prioritise access to solar light and power for the poorest off-grid communities and infrastructure. All of these models, with the potential to scale, are being open sourced, for potential partners to adopt and replicate across new geographies.

An example of our partnership work is the support we have been giving to ElleSolaire as it seeks to help women solar entrepreneurs and Village Savings and Loan Associations (VSLA) increase access to solar light and power in Senegal, West Africa.

This year, 50+ women have been certified as solar entrepreneurs through the ElleSolaire Academy, generating incremental income for 1,750 women, and bringing clean energy to an additional 7,800+ people in their homes and/or health and maternity clinics. In partnership with SolarAid, a shared learning agenda on mainstreaming gender in energy is in progress. Women, who are the primary users of household energy, are trusted members of the community and unlocking their untapped entrepreneurial potential is key to addressing energy poverty in Senegal, where 65% of the rural population live off-grid.



"Firstly, the good I have seen is an improvement in lighting at my house. Secondly, it is the impact I am making in my area: many people that buy lights from me have also seen an improvement in their lives."
- Penny Mupeta, solar light Entrepreneur, Zambia.
Photo: SolarAid/Jason J Mulikita

DELIVERING A SHARED PURPOSE

STATKRAFT AND SOLARAID SHARE A COMMON VISION OF A WORLD THAT RUNS ENTIRELY ON RENEWABLE ENERGY.

Since the foundation of SolarAid, we have been supported by Solarcentury which generously donated a percentage of their profits to SolarAid each year. Solarcentury is now part of Statkraft. Europe's largest renewable energy company. Statkraft and SolarAid share a common vision of a world that runs entirely on renewable energy.

In July 2021 Statkraft agreed to continue this support and committed to provide £2 million to SolarAid over the next 3 years starting with a £1 million donation in 2021.

This commitment has enabled SolarAid to develop its long term strategic thinking to deliver on its new mission, develop the thinking behind new innovative projects, as well as invest in fundraising to help attract even more funds to achieve the ambitious mission set out by SolarAid of lighting every home, clinic and school without electricity in Africa by 2030.

The financial stability Statkraft provides means any funds raised from other sources, such as grants from foundations or donations by individuals, can be applied to reaching people in remote rural areas that would otherwise be left behind.



THE YEAR AHEAD

EXPANSION, SUBSIDIES, LEARNINGS AND PARTNERSHIPS

The coming year will see SolarAid continue our strategic focus on developing sharable and replicable models which prioritise bringing solar light and power to those who need it most.

SolarAid is operating in a unique space as the only organisation wholly focused on testing models which will reach those currently left behind. Over the coming year we will continue to develop and test innovative models which have the potential to be replicated and scaled across the continent. Built into each model is an endgame, where we map out how scale will best be achieved, such as through government adoption, commercial adoption or open sourcing our work to potential replication partners.

Examples of what we will discover next year are:

Light a Village: This model has already demonstrated that we are able to bring solar solutions to one the poorest communities in Malawi and successfully light up the homes of people living in extreme poverty. In the coming year we will be expanding the model to reach more homes and schools as we carry out operational stress tests that will help us understand how this model can be scaled up to reach communities across the country and expanded into new geographies beyond Malawi.

End-user subsidies: We have proven that reducing the sales price of solar lights makes them more affordable and accessible to low income families. Together with like minded partners, we now want to learn more about which part of the population we are able and not able to reach and whether people who benefit from access to a solar light can, in time, afford to improve their life further by accessing greater levels of solar power and electricity.

Mayi Walas: In the coming year, we will continue our support for female entrepreneurs in Malawi, through our Mayi Walas programme and in Senegal, in partnership with ElleSolaire. This work will help us understand the challenges and opportunities for women entrepreneurs and assess the impact these networks can have on bringing solar light and power to traditionally underserved rural areas.

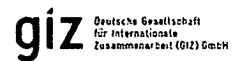
New partnerships: Alongside our ongoing support for ElleSolaire in Senegal, we are actively engaging with new partners to help support increased and accelerated energy access across the continent. In Madagascar, for example, one of the poorest countries in the world at the forefront of the climate crisis, we are actively supporting and advising a new consortium of actors who are dedicated to bringing solar light and power to some of the poorest homes, schools and health facilities in the country. Partnerships such as these will be crucial if we are to continue to accelerate access across the continent and achieve our mission.

THANK YOU

WE WISH TO THANK ALL OF OUR SUPPORTERS IN 2021/2022, INCLUDING
OUR INDIVIDUAL SUPPORTERS, AS WELL AS THE FOLLOWING:



Implemented by



Signify foundation



EQ FOUNDATION
MEAVO LIMITED
ERM FOUNDATION
MALAWI MINISTRY OF ENERGY
TAMESIS PARTNERS
THE SOUTER CHARITABLE TRUST

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE (FCDO)
MALAWI UNION FOR SAVING AND CREDIT COOPERATION
THE LIZANDY CHARITABLE TRUST
HELEN + MICHAEL BROWN CHARITABLE TRUST
HEART OF ENGLAND COMMUNITY ENERGY LIMITED
DEDZA AND NTCHISI DISTRICT EDUCATION OFFICES MALAWI
ZAMBIA MINISTRY OF EDUCATION

YONDR
ELENEO
CLIMATE GIVING
LOTTOLOVE
GREEN MOUNTAIN TRUST
USAID
GOGLA

KEY POLICIES AND PROCESSES

OUR PEOPLE

REMUNERATION, EQUAL OPPORTUNITIES AND STAFF ENGAGEMENT

SolarAid aims to pay staff at a level close to the relevant market median. For each staff pay band we have four pay levels based on a market salary benchmarking exercise that takes place every two to three years. We monitor staff progress each year through our appraisal and objective setting processes and staff move up the pay levels as appropriate. The Chief Executive's salary is set by the Board of Trustees based on the market median salaries of similar charities. The Senior Management Team salaries are set according to their position within the Senior Manager pay band.

Our remuneration policy is based on an ambition to recruit and retain skilled staff who are remunerated fairly but are primarily motivated to work with us because of our mission.

We aim for equitable remuneration for all employees regardless of age, disability, gender identity or gender expression, race, ethnicity, religion or belief, sex, sexual orientation or any other equality characteristic.

We have an Equal Opportunities Policy in place and the organisation is committed to promoting equality of opportunity for all staff and job applicants.

VOLUNTEER HELP AND GIFTS IN KIND

The Trustees are very grateful to the volunteers who have helped SolarAid over this financial year. SolarAid's volunteer network is highly skilled and has been able to assist SolarAid in a number of areas. SolarAid's volunteers make an essential contribution to SolarAid, giving time to and providing support for the whole organisation. SolarAid works to ensure its strategy reflects the needs and views of volunteers and acknowledges their experience and skills as fully as possible. SolarAid continues to actively recruit volunteer support and strives to ensure that each volunteer is supported as fully as possible during the time they give freely to SolarAid.

Gifts in kind (donated services, facilities and goods for use by SolarAid) are included in the accounts on the basis of the value of the gift to SolarAid. This is the value that the charity would pay in the open market for an alternative item that would provide an equivalent benefit. The value determined is included as income and charitable expenditure. SolarAid's legal partner, Covington & Burling LLP, have provided SolarAid with extensive and invaluable pro-bono legal advice during the financial year, for which SolarAid is deeply indebted.

MANAGING PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees is responsible for ensuring that major risks facing SolarAid are appropriately managed. The major risks identified are regularly reviewed and their potential impact assessed. Strategies and controls to manage each risk appropriately are in place, with some subject to continuing improvement. In those areas of our work where a degree of risk is inevitable, appropriate steps have been taken to mitigate that risk where possible. Updates to the register of key risks are reported to the Board and circulated to Trustees for their review.

THE TOP 3 MAJOR RISKS REPORTED TO THE BOARD ARE:

Financial and operational pressures resulting from political or social instability

Political or social instability (including the COVID pandemic, Brexit and the war in Ukraine) directly impact on our ability to deliver projects, our income levels and our costs. Political instability can drive inflation and adverse currency fluctuations as discussed below. Operationally we will continue to be flexible in our operational model and review our outputs to ensure our focus remains on providing solar power to where it is needed most.

Inability to generate sufficient income

To mitigate this risk we ensure that fundraising plans aim to pursue diverse funding streams. SolarAid secures funding for its activities from a wide range of sources including Corporate partners, Trusts and Foundations, Governmental bodies and individuals. We consider our funding to be without undue reliance on one particular funder or income stream. To ensure stability we prioritise funding commitments over time – such as corporate partners, multi-year or repeat grants and regular gifts. To achieve this we take time to report back to funders on the impact of their support, and strive to provide a high standard of appreciating individuals and organisations that support us. Targets and forecasts are monitored on a monthly basis so that we can adjust our expenditure plans accordingly.

Currency fluctuations and adverse inflationary conditions

Currency fluctuations in Zambia and Malawi mean imported goods and essential items are sold at a premium and there is a reduced spending power of our customers. Currency fluctuations in the UK affect the cost of our solar products as the majority of our stock is paid for in USD from GBP funds. Our operational and support costs across the group are increasing as a result of inflation. We are committed to developing innovative ways of distributing solar that makes it affordable for everyone, particularly the poorest communities and those in need.

FINANCIAL REVIEW

During the financial year the Group's income was £2,800,133 (2021: £1,729,082) and its resources expended were £2,438,054 (2021: £1,738,925).

GRANTS + DONATIONS RECEIVED

A list of the income from grants and donations is included within notes 2 and 3. SolarAid would like to extend its gratitude to all funders for the support they have shown during this financial year.

THE FUNDS OF THE GROUP AND OF THE CHARITY

The Group ended the financial year with net incoming resources of £362,079 (2021: net outgoing resources of £9,843). After exchange rate gains or losses on consolidation this resulted in total funds retained of £2,429,345 (2021: £2,119,267). These funds fall into two categories: restricted and unrestricted.

Unrestricted funds increased during the year by £520,684 to close at £2,258,451 (2021: reduced by £247,361 to close at £1,737,767). Restricted funds, which are earmarked for particular programmes on which expenditure will be incurred in future financial years, stand at £170,894 as at 31 March 2022 (2021: £381,500). At 31 March 2022 no restricted funds were in deficit.

RESERVES POLICY

Reserves are held by the charity for the following purposes:

Working capital - reserves support with the effective running of the organisation, in particular helping us to manage the seasonality of some income streams and allowing us to import solar stock on the most cost effective basis - in two to three shipments a year per country - as well as allowing us to hold sufficient stock.

Protect against volatile currencies and inflation risk - reserves protect our programming in the short term when we suffer fluctuations in the currencies or economic conditions of the countries in which we operate - which can be very volatile.

Invest in our long-term mission - our reserves enable us to invest in funding and innovation opportunities as they arise and maintain the momentum as they develop while funding is secured, and allows us to develop our operations on a sustainable basis.

The Trustees set a reserves target after considering the resources needed and risks faced by the organisation. Our methodology for calculating specifically takes into account the following aspects:

Working Capital (liquidity risk) - 15% of current unrestricted annual spend is used to calculate our working capital need for bulk solar light stock purchases and grants paid in arrears.

Business Continuity (security risk) - 10% of current unrestricted annual spend is used to cover the financial risk areas associated with our work. Namely currency and inflation risk and gaps in funding.

Investment reserve - 10% of annual unrestricted fundraising is used as an estimate of the level of reserves needed to allow us to respond to opportunities as they arise.

Our minimum reserve levels are currently calculated at £0.9m. The charity has free reserves of £1.5m (2021: £1.3m). Free reserves are stated net of fixed assets and investments and inter-company loan balances. The Trustees consider our reserves level to be appropriate and reflect the fact that SolarAid are at the outset of a new strategy - with a significant ambition to light up every home, school and clinic in sub-Saharan Africa by 2030. This has implications on the cost base of our current programmes and support functions. We have successfully secured a 3 year unrestricted commitment of £2 million from Statkraft - £1 million was received in the latter half of 2022 financial year. The current level of reserves over and above our business as usual levels means we have been able to start adapting our structure and approach to deliver on our mission, including starting a programme of investment in fundraising to secure sustainable sources of income to further our mission. The calculation of reserves is reviewed annually by the Trustees.

INVESTMENT POLICY

To date, monies have been held on deposit rather than in investments, reflecting the need for liquidity given the spending and investment plans.

FINANCIAL PERFORMANCE OF SUBSIDIARIES

The summary financial performance of active subsidiaries were as follows:

In GBP	SolarAid (Malawi)	SolarAid (Zambia)	SunnyMoney Global (UK)
Total income	593,361	446,031	11,952
Total expenditure	(698,374)	(474,976)	(16,365)
Net surplus or deficit for the year	(105,013)	(28,945)	(4,413)
Aggregate assets	456,633	430,385	66,527
Aggregate liabilities	(683,570)	(572,443)	(19,609)
Closing reserves position	(226,937)	(142,058)	46,918

SolarAid and its subsidiaries set detailed annual budgets in advance each year. Overall the performance from subsidiaries in 2021/2022 were broadly in line with budget. SolarAid Malawi currently has a closing reserves deficit of £226,937 (2021: £121,924). These losses have been supported as necessary by SolarAid via working capital loans. Despite the net deficit SolarAid Malawi is considered a going concern due to SolarAid's pledge to continue to support and fund its work. SolarAid Zambia has a closing reserves deficit of £142,058 (2021: £113,113). Again, these losses have been supported as necessary by SolarAid via working capital loans. Despite the net deficit SolarAid Zambia is again considered a going concern due to SolarAid's pledge to continue to support and fund its work.

FUNDRAISING AND WORKING CAPITAL

SolarAid secures funding for its activities from a wide range of sources including governmental bodies, companies, foundations, a number of generous individuals and the public. The Trustees are extremely grateful for the generous support received – especially those who have contributed towards our core costs by making unrestricted grants and donations. Details of grants and donations received during the year can be found in notes 2 and 3 of the accounts. SolarAid adheres to the guidelines of the fundraising regulator and the Trustees confirm there have been no failures in complying with the fundraising standards, nor have they received any complaints with regard to the Charity's fundraising activity.

It is the Trustees' responsibility to ensure that SunnyMoney Global and the in-country operations have access to sufficient working capital to deliver the Group's overall mission objectives. A major working capital requirement relates to the purchase and stock-holding of solar lanterns which are imported from China. The trustees have assessed SolarAid's ability to continue as a going concern, considering several factors when forming their conclusion including a review of updated forecasts for a period of 12 months from the date of signing the accounts, and a consideration of key risks that could negatively affect the charity. After considering these factors, the trustees have concluded that the Charity has a reasonable expectation that adequate resources are in place to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

During the course of the year SolarAid raised £1,272,852 (2021: £525,960) of programme related funding specifically to support market development through SunnyMoney. At the end of March 2022 SolarAid had invested £58,803 of share capital (2021: £58,803) and £612,027 in inter-company loans (2021: £240,176) in SunnyMoney. All loans were made from unrestricted funding and were used to support activities in line with the charity's objectives.

STRUCTURE GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

SolarAid is a charity registered with the Charity Commission under registration number 1115960 and a company limited by guarantee (registration number 3867741), incorporated on 28 October 1999. 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 guarantors at 31 March 2022 was three.

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.

The company's name was changed from Solar Century Global Community Trust to SolarAid on 8 May 2006 by decision of the Board. SolarAid was registered as a charity on 30 August 2006.

CHARITABLE OBJECTS

The charity's objects are: To relieve poverty through facilitating the provision of solar energy to those in need. To advance the education of the public in matters relating to solar energy, climate change and the protection of the environment and to carry out and disseminate the results of research into all aspects of energy generation, distribution, supply and use.

TRUSTEES AND ORGANISATIONAL STRUCTURE

The business of the charity is governed by a Board of Trustees, which seeks to ensure that all activities are compliant with UK law and fall within the charity's objects. The Board's work includes the setting of the strategic direction of the organisation and providing support to management. Day to day management of the charity is delegated to the CEO and the Senior Management Team and the Board acts on advice and information from regular meetings with the CEO and the Senior Management Team. Trustees are able, where appropriate, to take independent professional advice at no personal expense so that they are able to fulfil their role.

The Board will continue to evolve to ensure that it remains appropriate as the charity grows in size and complexity.

SolarAid has a wholly owned trading subsidiary, SunnyMoney Global, and controls two African based trading entities. All trading activity is maintained by the subsidiaries and fully consolidated accounts have been prepared for the year ending 31st March 2022.

METHOD OF APPOINTMENT OF TRUSTEES

Election or re-election of Trustees is in accordance with procedures set out in the charity's Memorandum and Articles of Association, which is the organisation's governing document. The Board is entitled to appoint new Trustees.

TRUSTEES' INDUCTION AND TRAINING

New Trustees undergo an orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business and strategic plans, development projects and recent financial performance of the charity. During this induction they meet key employees and the other Trustees.

DETAILS OF SIGNIFICANT RESTRICTIONS IN THE WAY THE CHARITY OPERATES

There are no significant restrictions in the way the charity operates other than those imposed by law.

CHIEF EXECUTIVE

John Keane, the Chief Executive, and the Senior Management Team are responsible for the day to day operations of the charity, its programmes and fundraising activity within delegated authority from the Trustees.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit and that the activities carried out by the charity during the year were all undertaken in order to further the charity's aims for the benefit of the charity's beneficiaries. A detailed explanation is given under Charitable Objects above.

STATEMENT OF TRUSTEES' RESPONSIBILITY

The Trustees (who are also directors of SolarAid 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. 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 charitable company and the group of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as each of the Trustees of the group at the date of approval of this report is aware there is no relevant audit information (information needed by the charitable group's auditor in connection with preparing the audit report) of which the charitable group's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

AUDITORS

A resolution will be proposed at the Annual General Meeting that our current auditors Crowe U.K. LLP be re-appointed as auditors of the organisation for the ensuing year.

The Trustees are pleased to present the Trustees' Report and Accounts for the Charity for the year ended 31 March 2021, which have been prepared in accordance with the Charity Statement of Recommended Practice – Charities SORP (FRS 102) and the Companies Act 2006.

This report has been prepared taking advantage of the exemptions available for small companies.

Approved by the Trustees and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Mirjana Škrba'.

Mirjana Škrba, Chair of Trustees, 2 December 2022

TRUSTEES, SENIOR MANAGEMENT AND PROFESSIONAL ADVISORS

As at 2 December 2022

Directors / Trustees who served during the year and to the date of signing

Mirjana Škrba – Chair

John Faulks

Ujunwa Ojemeni

Simon Usher

Jamal Gore

Senior Management Team

John Keane – Chief Executive Officer

Brave Mhonie – Malawi General Manager

Karla Kanyanga – Zambia Operations Manager

Lorraine Hammond – Finance Director (until October 2022)

Stuart Ryland – Director of Finance and Resources (appointed October 2022)

Jamie McCloskey – Development Director

Sofia Ollvid – Head of Communications

Richard Turner – Director of Fundraising (appointed September 2021)

Company Number

3867741

Charity Number

1115960

Registered Office

Creative Works, First Floor, 7 Blackhorse Lane, London, E17 6DS

Auditors

Crowe U.K. LLP

55 Ludgate Hill, London, EC4M 7JW

Bankers

The Co-operative Bank PLC

P.O. Box 101, 1 Balloon Street, Manchester, M60 4EP

Solicitors

Covington & Burling LLP

22 Bishopsgate, London, EC2N 4BQ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOLARAID

OPINION

We have audited the financial statements of SolarAid ('the charitable company') and its subsidiaries ('the group') for the year ended 31st March 2022 which comprise consolidated statement of financial activities, consolidated and charity only balance sheets, consolidated statement of cash flows 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31st March 2022 and of the group's income and expenditure, 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 and the Charities Act 2011

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 group 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 group's or the charitable company's ability to continue as a going concern for a period of at least twelve 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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, 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 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion based on the work undertaken in the course of our 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 have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 requires 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' directors' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 27, 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 charitable 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 charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members and significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the group's and the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, taxation legislation and employment legislation. We also considered compliance with local legislation for the group's overseas operating segments.

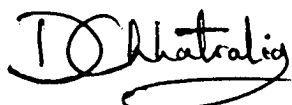
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, the timing of recognition of cost of sales and stock related to distribution of solar lights, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board of Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, detailed substantive testing of income, cost of sales and stock, reviewing the work of component auditors, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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, and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
London
13th December 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from					
Donations	2	769,831	150	769,981	793,879
Investments		37	-	37	103
Charitable activities:					
Programme related grants and donations	3	1,000,000	272,852	1,272,852	525,960
Income from distributing solar lights in Africa		606,950	-	606,950	408,714
Other income - exchange rate gain		150,313	-	150,313	426
Total Income		2,527,131	273,002	2,800,133	1,729,082
Expenditure on					
Raising funds	4	477,784	-	477,784	300,707
Charitable activities	4	1,476,662	483,608	1,960,270	1,438,218
Total Expenditure	4	1,954,446	483,608	2,438,054	1,738,925
Net income/(expenditure)		572,685	(210,606)	362,079	(9,843)
Exchange rate gains & losses	14	(52,001)	-	(52,001)	119,996
Net movement in funds		520,684	(210,606)	310,078	110,153
<i>Reconciliation of funds</i>					
Total funds brought forward	14	1,737,767	381,500	2,119,267	2,009,114
Total funds carried forward		2,258,451	170,894	2,429,345	2,119,267

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed Assets					
Intangible assets	7	26,664	-	26,664	-
Tangible assets	8	81,828	43,616	12,834	6,062
Investments	9	-	-	58,803	58,803
		108,492	43,616	98,301	64,865
Current Assets					
Stock		600,331	380,874	-	-
Debtors	10	258,954	202,639	701,668	344,349
Cash at bank and in hand		1,881,504	1,777,555	1,725,205	1,693,918
		2,740,789	2,361,068	2,426,873	2,038,267
Creditors: amounts falling due within one year	11	419,936	285,417	127,203	95,609
Net Current Assets		2,320,853	2,075,651	2,299,670	1,942,658
Net Assets		2,429,345	2,119,267	2,397,970	2,007,522
Funds					
Unrestricted funds - general	14	2,258,451	1,737,767	2,227,076	1,626,022
Restricted funds	14	170,894	381,500	170,894	381,500
		2,429,345	2,119,267	2,397,970	2,007,522

Company Number 3867741, Charity Number 1115960

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

These accounts were approved and authorised for issue by the Board of Trustees on 2 December 2022 and were signed on its behalf by:

Mirjana Škrba - Chair

John Faulks

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Group 2022 £	Group 2021 £
Cash provided by operating activities	15	189,199	992,373
Cash flows from investing activities			
Interest income		37	103
Purchase of tangible fixed assets		(58,623)	(9,097)
Purchase of intangible fixed assets		(26,664)	-
Proceeds from the sale of fixed assets		-	13,800
Cash provided by (used in) investing activities		(85,250)	4,806
Increase in cash and cash equivalents in the year		103,949	997,179
Cash and cash equivalents at the beginning of the year		1,777,555	780,376
Cash and cash equivalents at the end of the year		1,881,504	1,777,555

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

SolarAid is an incorporated Charity (Charity registration number: 1115960) registered in England and Wales. The address of the registered office is Unit 1, Gnome House, 7 Blackhorse Lane, London, E17 6DS.

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 BASIS OF PREPARATION OF ACCOUNTS

The financial statements have been prepared in accordance with the Companies Act 2006 and follow the recommendations of the Accounting and Reporting by Charities: Statement of Recommended Practice 2015 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

SolarAid meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

To comply with overseas local legislation, SolarAid has established a number of overseas legal entities in the countries in which it operates. These entities are fully controlled by SolarAid and their accounts are consolidated within the accounts of SolarAid.

GOING CONCERN

We have set out in the Trustees' report a review of financial performance and the charity's reserves position. We have adequate financial resources and are well placed to manage the normal business risks as well as those created by the current external environment which we have highlighted in other areas of our report.

We have a reasonable expectation that we have adequate resources to continue to operate for the foreseeable future. We believe that there are no material uncertainties that call into doubt the charity's ability to continue. The financial statements have therefore been prepared on the basis that the charity is a going concern.

1.2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of SolarAid's accounting policies Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period to which they relate.

NOTES TO THE CONSOLIDATED ACCOUNTS

1.3 INCOME

All incoming resources are included in the Statement of Financial Activities when SolarAid is legally entitled to the income and the amount can be quantified with reasonable accuracy and there is probability of receipt. Incoming resources received that do not meet the criteria for recognition in the Statement of Financial Activities are accounted for as deferred income and included as liabilities at the balance sheet date.

Grants are recognised where there is an entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Gifts in kind (donated services, facilities and goods for use by SolarAid) are included as income at their approximate fair value at the date of receipt. Fair value is deemed to be the market value the charity is willing to pay for the service. An amount equal to the value of receipts at the point received is included as charitable expenditure.

1.4 INTEREST RECEIVABLE AND INVESTMENT INCOME

Interest and investment income is credited to the SOFA when it is receivable.

1.5 EXPENDITURE

Expenditure is recognised in the period incurred on an accrual basis. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

Costs of raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the main objectives of the charity and include the direct costs, support costs and governance costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. They have been allocated to activity cost categories on a basis consistent with the use of the resources.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources.

1.6 IRRECOVERABLE VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

NOTES TO THE CONSOLIDATED ACCOUNTS

1.7 TAXATION

THE CHARITY

The Charity is a registered charity in England and Wales and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

THE SUBSIDIARY ENTITIES

The subsidiary entities are fully liable to relevant corporate, income and capital taxes in their respective territories on profits derived from trading activities:

Subsidiary	Place of residence for tax purposes
SunnyMoney Kenya Ltd	Kenya
SolarAid Kenya	Kenya
SolarAid Malawi Ltd	Malawi
SolarAid Malawi	Malawi
SolarAid Tanzania Ltd	Tanzania
SunnyMoney Tanzania Ltd*	Tanzania
SunnyMoney Global Ltd	UK
SolarAid Zambia Ltd	Zambia

*Previously known as D Light Design East Africa Ltd

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible and intangible fixed assets are stated at historic cost less accumulated depreciation or amortisation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation and amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The amortisation and depreciation rates and bases are as follows:

Goodwill (arising on consolidation)	10% Straight Line
Furniture, Fixtures & Fittings	12.5% Reducing Balance
Computer Equipment	30% / 37.5% Reducing Balance
Motor Vehicles	25% / 37.5% Reducing Balance
Website development	25% Straight Line

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

1.9 FIXED ASSETS INVESTMENTS

Fixed assets investments representing investments in subsidiaries are stated at historic cost.

NOTES TO THE CONSOLIDATED ACCOUNTS

1.10 STOCK

Stock is shown at the lower of cost and net realisable value. Provision is made for obsolete, slow moving or defective stock where appropriate.

1.11 FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the Trustees and in furtherance of the general objectives of the charity. Restricted funds must be used for specified purposes as laid down by the donor.

1.12 FOREIGN CURRENCIES

Transactions in foreign currencies are recognised at the prevailing rate at the beginning of the month in which the transaction arose. Monetary assets and liabilities are translated into sterling at the exchange rate on the balance sheet date. All exchange differences are recognised through the SOFA.

1.13 FINANCIAL INSTRUMENTS

The Charity has taken advantage of the exemptions in FRS102 from the requirement to present certain disclosures about the charity's financial instruments. The Group has financial assets and financial liabilities of a kind that qualify as basic. These are initially recognised at transaction value and subsequently measured at their settlement value. Financial assets that are debt instruments measured at amortised cost include trade debtors and other debtors. Financial liabilities measured at amortised cost include trade creditors, other creditors and current loans.

2. DONATIONS

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
Donations	752,947	150	753,097	785,955
Pro bono legal advice	16,884	-	16,884	7,924
	769,831	150	769,981	793,879

The charity is indebted to Covington & Burling LLP for providing legal advice as pro bono services. The value placed on these contributions by the donor is £31,949.50 (2021: £7,924). This has been written down to the amount SolarAid would pay in the open market for equivalent services. The income equivalent is recognised within incoming resources as a donation, and a corresponding expense is included within legal costs.

NOTES TO THE CONSOLIDATED ACCOUNTS

3. INCOME FROM CHARITABLE ACTIVITIES

Grants receivable and other charitable income is shown for the year ending 31 March 2022:

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Statkraft	1,000,000	-	1,000,000	-
ICG	-	-	-	76,915
DFID	-	42,792	42,792	57,208
Individual Major Donors	-	89,437	89,437	162,450
SwedishPostcode Lottery	-	-	-	87,321
CLASP - Global LEAP	-	-	-	76,026
Signify Foundation	-	9,373	9,373	39,237
GIZ	-	44,047	44,047	-
GDC	-	-	-	21,239
Book Aid International	-	3,896	3,896	-
Other Country Specific	-	83,307	83,307	5,564
	1,000,000	272,852	1,272,852	525,960

4. RESOURCES EXPENDED

	Direct Costs £	Support Costs £	Governance Costs £	Total 2022 £	Total 2021 £
Raising Funds:					
Fundraising costs	365,896	24,547	1,978	392,421	250,715
Supporter services & online shop	72,691	11,881	791	85,363	49,992
	438,587	36,427	2,769	477,784	300,707
Charitable Activities:					
Solar Market Development & Innovation	1,695,584	62,850	36,392	1,794,826	1,402,418
Supporting Solar Initiatives Through Partners	161,027	4,022	396	165,444	35,800
	1,856,611	66,872	36,788	1,960,270	1,438,218
	2,295,198	103,299	39,557	2,438,054	1,738,925

Support costs and Governance costs allocated are UK costs only. They have been apportioned proportionally to activity. Overseas support costs have been directly attributed to the costs of delivering charitable activities in the country.

Net expenditure/income for the year is stated after charging audit fees of £26,904 (2021: £24,874), depreciation of £20,412 (2021: £16,216) and crediting foreign exchange gains of £150,276 (2021: losses of £206,093).

NOTES TO THE CONSOLIDATED ACCOUNTS

5. STAFF COSTS AND NUMBERS

The average headcount total is:

	Total 2022	Total 2021
Management & International Programmes Staff	70	43
Fundraising Staff	6	4
	76	47

Staff costs for the charity and group were as follows:

	Total 2022	Total 2021
Salaries	835,173	630,270
National Insurance	47,013	41,871
UK Pension	17,063	16,736
	899,249	688,878

The number of employees whose emoluments exceeded £60,000 in the year was as follows:

	Total 2022	Total 2021
£90,000 - £100,000	1	1

The key management personnel of the group are the members of the Senior Management Team (SMT). During the year the Director of Fundraising joined the SMT. The total employee benefits for the SMT was £298,256 (2021: £251,912) inclusive of employer's pension and national insurance costs.

No Director of the Charity or the subsidiary entities received any remuneration in the year for services to those companies.

6. TAXATION

SolarAid is a registered charity and is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

The subsidiary entities are fully liable to relevant corporate, income and capital taxes in their respective territories on profits derived from trading activities. No corporate taxes were incurred in the year to 31 March 2022.

NOTES TO THE CONSOLIDATED ACCOUNTS

7. INTANGIBLE ASSETS

	Website Development Costs In Use	Website Development Costs Under Construction	Total 2022
Intangible Asset - Value			
At 1st April 2021	-	-	-
Additions in the Year	-	26,664	26,664
Write off in the Year	-	-	-
At 31 March 2022	-	26,664	26,664
Amortisation			
At 1st April 2021	-	-	-
Charge in the Year	-	-	-
Write off in the Year	-	-	-
At 31 March 2022	-	-	-
Net Book Value at 31st March 2022	-	26,664	26,664

8. TANGIBLE ASSETS

	Furniture Fixtures & Fittings	Computer Equipment	Motor Vehicles	Total 2022
The Group				
Cost				
At 1st April 2021	10,056	22,747	47,941	80,744
Additions in the Year	5,147	18,983	24,153	48,283
Exchange adjustments	2,843	2,223	12,620	17,686
At 31 March 2022	18,046	43,953	84,714	146,713
Depreciation				
At 1st April 2021	3,256	11,004	22,868	37,128
Charge in the Year	1,560	7,644	11,208	20,412
Exchange adjustments	899	894	5,552	7,345
At 31 March 2022	5,715	19,542	39,628	64,885
Net Book Value at 31st March 2022	12,331	24,411	45,086	81,826

The fixed assets represent the value of assets incorporated into these accounts from SolarAid Malawi, SolarAid Zambia and SolarAid (the Charity).

NOTES TO THE CONSOLIDATED ACCOUNTS

8. TANGIBLE ASSETS (CONTINUED)

	Furniture, Fixtures & Fittings £	Computer Equipment £	Motor Vehicles £	Total 2022 £
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The Charity - included in table above

Cost

At 1st April 2021	344	11,841	-	12,185
Additions in the Year	-	11,104	-	11,104
At 31 March 2022	344	22,945	-	23,289

Depreciation

At 1st April 2021	194	5,929	-	6,123
Charge in the Year	19	4,313	-	4,332
At 31 March 2022	213	10,242	-	10,455
Net Book Value at 31st March 2022	131	12,703	-	12,834

9. INVESTMENTS

The Charity has unlisted investments with a historical cost as follows:

	Charity Total 2022 £	Charity Total 2021 £
--	-------------------------------	-------------------------------

Cost

SunnyMoney Global Ltd - 100% investment	58,795	58,795
SunnyMoney Kenya Ltd - 1% investment	8	8
	58,803	58,803

A capitalisation of SunnyMoney Global Ltd took place during 2012/2013 resulting in an addition of 58,793 £1 shares to the initial holding of £2.

SunnyMoney Global Ltd has been consolidated into these accounts. SunnyMoney Kenya Ltd has also been consolidated into these accounts on the basis that the remaining 99% of the shares of each are held by the aforementioned SunnyMoney Global Ltd.

SolarAid Uganda Ltd was brought out by their management and no longer form part of the group. The shares were transferred at nil cost.

NOTES TO THE CONSOLIDATED ACCOUNTS

10. DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Prepayments and accrued income	113,567	126,134	89,641	104,173
Amounts due from Subsidiaries	-	-	612,027	240,176
Loans to supported organisations	25,000	-	-	-
Overseas taxation rebates	41,985	33,322	-	-
Trade debtors	78,402	43,183	-	-
	258,954	202,639	701,668	344,349

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Creditors and accruals	333,175	180,207	104,008	35,317
Loans	55,985	50,008	-	50,000
Amounts owed to Subsidiaries	-	-	-	-
UK taxation & social security costs	15,200	10,292	15,200	10,292
Overseas taxation & social security costs	15,576	44,910	7,995	-
	419,936	285,417	127,203	95,609

The loans are unsecured and repayable within 12 months of the year end.

12. COMPANY LIMITED BY GUARANTEE

The UK Charitable company is limited by guarantee and does not have share capital.

NOTES TO THE CONSOLIDATED ACCOUNTS

13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

For the year ending 31 March 2022

	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Intangible assets	26,664	-	26,664
Tangible assets	81,828	-	81,828
Current assets	2,569,895	170,894	2,740,789
Current liabilities	(419,936)	-	(419,936)
Long-term liabilities	-	-	-
	2,258,451	170,894	2,429,345

For the year ending 31 March 2021

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Intangible assets	-	-	-
Tangible assets	43,616	-	43,616
Current assets	1,979,568	381,500	2,361,068
Current liabilities	(285,417)	-	(285,417)
Long-term liabilities	-	-	-
	1,737,767	381,500	2,119,267

NOTES TO THE CONSOLIDATED ACCOUNTS

14. MOVEMENT IN FUNDS

For the year ending 31 March 2022

	Balance at 31 March 2021	Income £	Expenditure £	Forex Movement £	Balance at 31 March 2022
Restricted Funds:					
Agent Programme Malawi	40,001	79,371	119,372	-	-
Agent Programme Zambia	62,152	-	62,152	-	-
Agent Programmes	47,449	1,186	48,635	-	-
Covid-19 response - Powering Health	1	-	1	-	-
E-waste programme Zambia	-	44,047	44,047	-	-
Light A Village programme Malawi	75,000	-	66,449	-	8,551
Light Library programme Malawi	-	50,421	-	-	50,421
Powering Health programme	58,027	150	6,555	-	51,622
Powering Health programme Malawi	98,870	-	93,605	-	5,265
Powering Health programme Zambia	-	45,542	42,792	-	2,750
Monitoring & Evaluation	-	52,285	-	-	52,285
	381,500	273,002	483,608	-	170,894
Unrestricted Funds:					
General Funds	1,737,767	2,527,131	1,954,446	(52,001)	2,258,451
Total Funds	2,119,267	2,800,133	2,438,054	(52,001)	2,429,345

For the year ending 31 March 2021

	Balance at 31 March 2020	Income £	Expenditure £	Forex Movement £	Balance at 31 March 2021
Restricted Funds:					
Agent Programme Malawi	-	61,440	21,439	-	40,001
Agent Programme Zambia	23,986	39,237	1,071	-	62,152
Agent Programmes	-	48,765	1,316	-	47,449
Covid-19 response - Powering Health	-	161,803	161,802	-	1
E-waste programme Zambia	-	76,026	76,026	-	-
Light A Village programme Malawi	-	75,000	0	-	75,000
Light Library programme Malawi	-	3,150	3,150	-	-
Powering Health programme	-	58,027	0	-	58,027
Powering Health programme Malawi	-	164,236	65,366	-	98,870
Powering Health programme Zambia	-	57,208	57,208	-	-
Solar Radios Malawi	-	897	897	-	-
	23,986	745,789	388,275	-	381,500
Unrestricted Funds:					
General Funds	1,985,128	983,293	1,350,650	119,996	1,737,767
Total Funds	2,009,114	1,729,082	1,738,925	119,996	2,119,267

NOTES TO THE CONSOLIDATED ACCOUNTS

15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group Total 2022 £	Group Total 2021 £
Net movement in funds	310,078	110,153
Add back depreciation charge	20,412	16,216
Add back amortisation charge	-	280
Deduct interest income shown in investing activities	(37)	(103)
Decrease / (increase) in stock	(219,457)	(74,715)
Decrease / (increase) in debtors	(56,315)	906,763
Increase / (decrease) in creditors	134,518	33,779
Net cash provided by operating activities	189,199	992,373

16. RELATED PARTY TRANSACTIONS AND TRUSTEE EXPENSES

For the whole of the year, the charity was under the control of the Trustees, who are also the Directors of the company for the purposes of Company Law, as shown on page 29. During the year £0 (2021: £0) was spent to cover various expenses relating to Trustees. The Trustees are not remunerated for the positions they hold.

	Opening balance at 1 April 2021 (net of provisions)	Grants made by SolarAid	Working capital support made by SolarAid	Income received in SolarAid on behalf of sub	Expenses incurred on behalf of SolarAid	Current year provisions	Closing balance at 31 March 2022 (net of provisions)
SunnyMoney Global	(13,986)	-	33,291	-	(1,359)	-	17,946
SolarAid Malawi	192,391	(283,931)	536,871	(7,537)	(13,835)	(58,000)	365,959
SolarAid Zambia	93,924	(116,361)	347,986	(64,829)	(445)	-	260,275
SolarAid Tanzania	(32,153)	-	-	-	-	-	(32,153)
	240,176	(400,292)	918,148	(72,366)	(15,639)	(58,000)	612,027

NOTES TO THE CONSOLIDATED ACCOUNTS

17. OVERSEAS GROUP ENTITIES

To comply with local overseas legislation, SolarAid has established a number of legal entities that are fully controlled by SolarAid and their accounts are therefore consolidated within the accounts of SolarAid. These organisations are listed in Note 19 below and a summary of the financial performance and position is included on Page 24 of the Annual Report.

18. CONSOLIDATION

The Charity's subsidiary companies listed below have been consolidated into the SolarAid accounts in accordance with the Charities' SORP 2015.

The active subsidiaries are:

SunnyMoney Global UK Ltd (Registered in England and Wales, CRN 7788918) - 100% owned by SolarAid

SolarAid Zambia Ltd (Company Limited by Guarantee, registered in Zambia, CRN 75087) - ownership through 100% control by SolarAid

SolarAid Malawi (Unincorporated NGO, registered in Malawi, NGO C391/2008) - ownership through 100% control by SolarAid

The dormant subsidiaries are:

SolarAid Malawi Ltd (Company registered in Malawi, CRN 9144) - 100% owned by SolarAid Malawi

SunnyMoney Kenya Ltd (Company registered in Kenya, CPR/2012/70931) - 99% owned by SunnyMoney Global UK Ltd & 1% owned by SolarAid

SunnyMoney Tanzania Ltd (Company registered in Tanzania, CRN 67879) - 100% owned by SunnyMoney Global UK Ltd

SolarAid Tanzania Ltd (Company Limited by Guarantee, CRN 67958) - ownership through control

SolarAid Kenya (Unincorporated NGO) - ownership through control

NOTES TO THE CONSOLIDATED ACCOUNTS

19. PRIOR YEAR CHARITY STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Income from			
Donations	574,050	219,829	793,879
Investments	103	-	103
Charitable activities:			
Programme related grants and donations	-	525,960	525,960
Income from distributing solar lights in Africa	408,714	-	408,714
Other income - exchange rate gain	426	-	426
Total Income	983,293	745,789	1,729,082
Expenditure on			
Raising funds	300,707	-	300,707
Charitable activities	1,049,943	388,275	1,438,218
Total Expenditure	1,350,650	388,275	1,738,925
Net income/(expenditure)	(367,357)	357,514	(9,843)
Exchange rate gains & losses	119,996	-	119,996
Net movement in funds	(247,361)	357,514	110,153
<i>Reconciliation of funds</i>			
Total funds brought forward	1,985,128	23,986	2,009,114
Total funds carried forward	1,737,767	381,500	2,119,267



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Registered Charity Number: 1115960



SolarAid