

**ABESU LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**UNAUDITED FINANCIAL STATEMENTS**  
**31 MARCH 2012**

Charity Number 1117700



**WALTER HUNTER & CO LIMITED**

Chartered Accountants  
24 Bridge Street  
Newport  
South Wales  
NP20 4SF

**ABESU LIMITED  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2012**

<b>CONTENTS</b>	<b>PAGE</b>
Trustees Annual Report	<b>1</b>
Independent examiner's report to the members	<b>5</b>
Statement of financial activities (incorporating the income and expenditure account)	<b>7</b>
Balance sheet	<b>8</b>
Notes to the financial statements	<b>10</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	<b>16</b>

**ABESU LIMITED  
COMPANY LIMITED BY GUARANTEE  
TRUSTEES ANNUAL REPORT  
YEAR ENDED 31 MARCH 2012**

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2012

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered charity name</b>	ABESU Limited
<b>Charity registration number</b>	1117700
<b>Company registration number</b>	5963909
<b>Registered office</b>	17 Whitcliffe Drive Penarth Vale of Glamorgan CF64 5RY

**THE TRUSTEES**

The trustees who served the company during the period were as follows

Mr T Merrill  
Mrs M Merrill  
Mr A Green  
Mr J Sloane  
Mr R West  
Mrs A Rodriques  
Mr S Merrill

**Secretary** Mrs M Merrill

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The charity is governed by its Memorandum and Articles of Association and is a charity registered with the Charity Commission

The charity's objects are to support initiatives designed to advance sustainable responses to the relief of poverty in Africa

The objectives and activities of the charity are set out in its governing document

The current trustees of the charity were those intricately involved in the establishment of the charity and continue to be committed to meeting its objectives. The board meets at least six times a year together at a location when possible and otherwise by teleconference

# **ABESU LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT *(continued)***

### **YEAR ENDED 31 MARCH 2012**

In 2010 ABESU completed an extended annual evaluation of its work with its partner, the Mitengo Women's Co-operative, working in Chongwe, Zambia

Since the partnership was formed in 2007 fifty seven houses had been self built each with a VIP (ventilation improved pit) toilet Each group of five houses is serviced by a bore hole and pump to provide fresh water

The overall strategy was, and remains, to enable women led families to secure sustainable livelihoods from the self building of a house 90% of which is funded and 10% of which is repaid over time from income accruing from small businesses Each house is owned by its occupant, a member of the Women's Co-operative, but can only be sold to the co-operative if relinquished

In this way all 200 members of the co-operative would gain the health, safety and shelter afforded by a house and its value as security to raise small loans for businesses ventures such as chicken rearing

The 2010 evaluated every aspect of the project and produced twenty two recommendations foremost among which was the necessary minor remedial repair of 55 houses not completed to the necessary standard, a review of the bill of quantities for future construction, and an exploration of alternative organisational arrangements within the co-operative Work during 2011 to 2012 was focussed on the successful implementation of the recommendations

The necessary repairs were costed and completed without delay The bill of quantities was revised and adopted Other recommendations were addressed, but most importantly the 200 women members of the Mitengo Co-operative who were part of the ABESU housing initiative decided that it was appropriate and advisable to become established as a separate entity in order to concentrate their expertise and effort This they successfully accomplished and in early 2012 the ABESU Women's Housing Co-operative successfully registered as a Co-operative Society Mitengo decided to revert to being a Society and forgo its Co-operative status

The new ABESU women's Housing Co-operative displayed considerable determination and began to build new houses and, in partnership with the Eastern Health Region, construct a Health Clinic serving 6,500 households in the surrounding area

In the UK the ABESU Board supported changes in Zambia from a distance and with care Income remained steady but expenditure declined as a result of reduced funds being allocated to remedial repairs before the building of new houses resumed

#### **Public Benefit**

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charities aims and objectives and in planning future activities

# **ABESU LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT *(continued)***

### **YEAR ENDED 31 MARCH 2012**

#### **ACHIEVEMENTS AND PERFORMANCE**

Board membership remained settled during the year and it undertook a number of fund raising events but held back from submitting any major grant applications. Towards the end of the year it was decided not to re-appoint a charity administrator post which was vacated as the availability of voluntary time increased on the Board.

Accordingly, the year was one of some anxiety, significant change, and considerable improvement. The monitoring and evaluation process proved to be a catalyst for action and a means of generating ideas and opinions both in Zambia and the UK.

The Board is concerned to maintain and if possible increase the rate of house building in order to close with the first milestone of 100 houses. It then wishes to review the model of intervention and partnership working in order to complete the building of 200 houses and establish a sustainable co-operative in Zambia with the capacity and expertise to devise and pursue its own forward strategy.

#### **FINANCIAL REVIEW**

Financial management and fundraising

ABESU is supported by a growing number of large donors and donors giving one-off and monthly donations through direct debits.

Each board meeting considers a detailed report on the financial position of the charity and takes decisions accordingly.

The financial position of the charity has gradually improved and reserves of £35,000 have been achieved to underpin the operational transactions.

#### **PLANS FOR FUTURE PERIODS**

The current strategy is to build at least 20 houses a year to a total of 200. At that point a review will be undertaken and the strategy either continued in Chongwe or elsewhere in Zambia. Additional infrastructure support will be required as the project grows.

The board has continued to take care to address issues of project sustainability and impact given the challenges to fundraising that are becoming more severe.

**ABESU LIMITED  
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2012**

**RESPONSIBILITIES OF THE TRUSTEES**

The trustees (who are also the directors of Abesu Limited for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

select suitable accounting policies and then apply them consistently,

observe the methods and principles in the Charities SORP,

make judgements 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,

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**INDEPENDENT EXAMINER**

Mr Jonathan Rhodes BSc (Hons) FCA has been re-appointed as independent examiner for the ensuing year

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office  
17 Whitcliffe Drive  
Penarth  
Vale of Glamorgan  
CF64 5RY

Signed by order of the trustees

  
MRS M MERRILL  
Company Secretary

12/12/12

**ABESU LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ABESU LIMITED  
YEAR ENDED 31 MARCH 2012**

I report on the accounts of the charity for the year ended 31 March 2012 set out on pages 7 to 14

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

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to

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

**BASIS OF INDEPENDENT EXAMINER'S STATEMENT**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below

**ABESU LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ABESU LIMITED**  
(continued)

**YEAR ENDED 31 MARCH 2012**

**INDEPENDENT EXAMINER'S STATEMENT**

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

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities (revised 2005)

have not been met,

or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



Jonathan Rhodes BSc (Hons) FCA

Independent examiner

24 Bridge Street  
Newport  
South Wales  
NP20 4SF

12th December 2012



**ABESU LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND  
EXPENDITURE ACCOUNT)**

**YEAR ENDED 31 MARCH 2012**

	Note	Total Funds 2012 £	Total Funds 2011 £
<b>INCOMING RESOURCES</b>			
Incoming resources from generating funds			
Voluntary income	2	54,450	65,347
Activities for generating funds	3	1,315	—
<b>TOTAL INCOMING RESOURCES</b>		<u>55,765</u>	<u>65,347</u>
<b>RESOURCES EXPENDED</b>			
Charitable activities	4/5	(68,710)	(41,843)
Governance costs	6	(1,303)	(874)
<b>TOTAL RESOURCES EXPENDED</b>		<u>(70,013)</u>	<u>(42,717)</u>
<b>NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR/NET (EXPENDITURE)/INCOME FOR THE YEAR</b>	7	(14,248)	22,630
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		45,504	22,874
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>31,256</u>	<u>45,504</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore  
a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

**ABESU LIMITED**  
**COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET**

**31 MARCH 2012**

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	9	843	1,763
<b>CURRENT ASSETS</b>			
Debtors	10	–	6,709
Cash at bank		31,193	37,251
		<u>31,193</u>	<u>43,960</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>(780)</u>	<u>(219)</u>
<b>NET CURRENT ASSETS</b>		<b>30,413</b>	<b>43,741</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>31,256</b></u>	<u><b>45,504</b></u>
<b>NET ASSETS</b>		<u><b>31,256</b></u>	<u><b>45,504</b></u>
<b>FUNDS</b>			
Unrestricted income funds	12	<u>31,256</u>	<u>45,504</u>
<b>TOTAL FUNDS</b>		<u><b>31,256</b></u>	<u><b>45,504</b></u>

The trustees are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The Balance sheet continues on the following page  
The notes on pages 10 to 14 form part of these financial statements.

**ABESU LIMITED  
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET** *(continued)*

**31 MARCH 2012**

The trustees acknowledge their responsibilities for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the members of the committee on the 12<sup>th</sup> December 2012 and are signed on their behalf by



MRS A RODRIQUES

Company Registration Number 5963909

**ABESU LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2012**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Incoming Resources**

Incoming resources are accounted for on an accruals basis except appeal and donation income which is recognised when received

**Investment income**

Bank interest received is included on an accruals basis

**Deferred income**

In accordance with the Statement of Recommended Practice for Accounting and Reporting by charities (effective April 2005) issued by the Charity Commission for England & Wales grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts

**Fund accounting**

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above. Any other proposed transfer between funds would be considered on the particular circumstances.

**ABESU LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2012**

**1. ACCOUNTING POLICIES** *(continued)*

**Resources expended**

**Resources expended**

Expenditure within the relevant activity categories of resources are recognised when there is a legal and constructive obligation committing the charity to expenditure, as described in Financial Reporting Standards 5 and 12

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is

**Costs of generating funds**

Costs are included in generating income resources from all sources other than from undertaking charitable activity

**Charitable activities**

Costs included in charitable activities comprise all resources applied by the charity in undertaking its work to meet its charitable objectives as opposed to the cost of raising the funds to finance these activities and governance costs

**Governance costs**

Included are the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work

**Taxation**

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the company, and is therefore included in the relevant costs in the Statement of Financial Activities

**Fixed assets**

All fixed assets are initially recorded at cost

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Motor Vehicle - 50% p a straight line

**ABESU LIMITED**  
**COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2012**

**2. VOLUNTARY INCOME**

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Donations			
Donations	53,779	53,779	53,597
Gift Aid	671	671	5,750
The Deloitte Foundation	–	–	5,000
The Community of the Presentation Trust	–	–	1,000
	<u>54,450</u>	<u>54,450</u>	<u>65,347</u>

**3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Fundraising events	<u>1,315</u>	<u>1,315</u>	<u>–</u>

**4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE**

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Development site costs	58,872	58,872	31,235
Support costs	9,838	9,838	10,608
	<u>68,710</u>	<u>68,710</u>	<u>41,843</u>

**5. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE**

	Activities undertaken directly £	Support costs £	Total Funds 2012 £	Total Funds 2011 £
Development site costs	<u>58,872</u>	<u>9,838</u>	<u>68,710</u>	<u>41,843</u>

**6 GOVERNANCE COSTS**

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Accountancy fees	780	780	646
Bank charges	523	523	228
	<u>1,303</u>	<u>1,303</u>	<u>874</u>

There were no expenses paid to Trustees during the year (2011 Nil)

**ABESU LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2012**

**7. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR**

This is stated after charging

	2012	2011
	£	£
Depreciation	<u>920</u>	<u>77</u>

**8. STAFF COSTS AND EMOLUMENTS**

No salaries or wages have been paid to employees, including the members of the committee, during the year

**9. TANGIBLE FIXED ASSETS**

	<i>Motor Vehicles</i>
	£
<b>COST</b>	
At 1 April 2011 and 31 March 2012	<u>6,840</u>
<b>DEPRECIATION</b>	
At 1 April 2011	5,077
Charge for the year	<u>920</u>
At 31 March 2012	<u>5,997</u>
<b>NET BOOK VALUE</b>	
At 31 March 2012	<u>843</u>
At 31 March 2011	<u>1,763</u>

**10. DEBTORS**

	2012	2011
	£	£
Other debtors	—	5,052
Prepayments	<u>—</u>	<u>1,657</u>
	<u>—</u>	<u>6,709</u>

**11. CREDITORS: Amounts falling due within one year**

	2012	2011
	£	£
Accruals	<u>780</u>	<u>219</u>

**ABESU LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2012**

**12. UNRESTRICTED INCOME FUNDS**

	Balance at 1 April 2011	Incoming resources	Outgoing resources	Balance at 31 March 2012
	£	£	£	£
General Funds	<u>45,504</u>	<u>55,765</u>	<u>(70,013)</u>	<u>31,256</u>

**13. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible fixed assets	Net current assets	Total
	£	£	£
Unrestricted Income Funds	<u>843</u>	<u>30,413</u>	<u>31,256</u>
Total Funds	<u>843</u>	<u>30,413</u>	<u>31,256</u>

**14. COMPANY LIMITED BY GUARANTEE**

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter

There are 5 members of the company (2010 5 members)



**ABESU LIMITED  
COMPANY LIMITED BY GUARANTEE  
MANAGEMENT INFORMATION  
YEAR ENDED 31 MARCH 2012**

**The following pages do not form part of the statutory financial statements  
which are the subject of the independent examiner's report on pages 5 to 6**

**ABESU LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 MARCH 2012**

	2012 £	2011 £
<b>INCOMING RESOURCES</b>		
<b>VOLUNTARY INCOME</b>		
Donations	53,779	53,597
Gift Aid	671	5,750
The Deloitte Foundation	—	5,000
The Community of the Presentation Trust	—	1,000
	<u>54,450</u>	<u>65,347</u>
<b>ACTIVITIES FOR GENERATING FUNDS</b>		
Fundraising events	<u>1,315</u>	<u>—</u>
	<u>55,765</u>	<u>65,347</u>
<b>TOTAL INCOMING RESOURCES</b>		
<b>RESOURCES EXPENDED</b>		
<b>CHARITABLE ACTIVITIES</b>		
Establishment - Other	47,929	26,766
Legal & professional - Other	—	213
Office expenses - Other	1,971	1,133
Depreciation	920	77
Project management	8,416	1,756
Event costs	—	923
Nurse salary	—	1,597
UK Co-ordinator	3,038	8,019
Motor and travel expenses	6,203	525
Training	233	—
Other office costs	—	834
	<u>68,710</u>	<u>41,843</u>
<b>GOVERNANCE COSTS</b>		
Accountancy fees	780	646
Bank charges	523	228
	<u>1,303</u>	<u>874</u>
	<u>70,013</u>	<u>42,717</u>
<b>TOTAL RESOURCES EXPENDED</b>		
<b>NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR</b>	<u>(14,248)</u>	<u>22,630</u>

**ABESU LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 MARCH 2012**

	2012 £	2011 £
<b>CHARITABLE ACTIVITIES</b>		
<b>Development site costs</b>		
<i>Activities undertaken directly</i>		
Establishment - Other	47,929	26,766
Office expenses - Other	1,607	116
Depreciation	920	77
Project management	8,416	1,756
Event costs	—	923
Nurse salary	—	1,597
	<u>58,872</u>	<u>31,235</u>
<i>Support costs</i>		
Legal & professional - Other	—	213
Office expenses - Other	364	1,017
UK Co-ordinator	3,038	8,019
Motor and travel expenses	6,203	525
Training	233	—
Other office costs	—	834
	<u>9,838</u>	<u>10,608</u>
	<u>68,710</u>	<u>41,843</u>
	<u>68,710</u>	<u>41,843</u>