

COMPANY REGISTRATION NUMBER: 5963909
CHARITY REGISTRATION NUMBER: 1117700

ABESU Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2017

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COMPANIES HOUSE

WALTER HUNTER & CO LIMITED

Chartered accountant
24 Bridge Street
Newport
South Wales
NP20 4SF

ABESU Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2017

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	5
Statement of financial activities (including income and expenditure account)	7
Statement of financial position	8
Notes to the financial statements	9
The following pages do not form part of the financial statements	
Detailed statement of financial activities	16
Notes to the detailed statement of financial activities	17

ABESU Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2017

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2017.

Reference and administrative details

Registered charity name	ABESU Limited
Charity registration number	1117700
Company registration number	5963909
Principal office and registered office	17 Whitcliffe Drive Penarth Vale of Glamorgan CF64 5RY

The trustees

Mr A Green	
Mr S Merrill	
Mrs M Merrill OBE	
Mr T Merrill	
Mrs A Rodrigues	(Resigned 7th August 2017)
Mr J Sloane	
Mr R West	

Company secretary	Mrs M Merrill
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Independent Examiner	Jonathan Rhodes BSc FCA Independent Examiner Walter Hunter & Co Limited Chartered accountant 24 Bridge Street Newport South Wales NP20 4SF
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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 is disbursed across the UK but takes advantage of meetings when possible and teleconferences when this is not possible.

ABESU Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2017

Structure, governance and management *(continued)*

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. The charity regards its activities as being for charitable purposes only and for the public benefit, and that it complies with the duty set out in Section 17 of the Charities Act 2011.

Objectives and activities

The core purpose of Abesu has always been to empower women through the self building of houses. The intention is that over time the Co-operative should become financially self sufficient by using all its material and human resources to generate income to meet its revenue costs and eventually the capital necessary to build future houses.

Achieving a level of governance and managerial skill among Co-operative women remains a challenge as numeracy and literacy is low (although increasing) and the demands of everyday life for women led-families in rural areas are great.

Co-operative area groups are spread out over many hundreds of square kilometres and whereas it was entirely appropriate for house building to take place where the families live it has placed an increased strain on the logistics of running the Co-operative as it has grown.

Achievements and performance

The year proved to be one of transition and progress. The established house building programme was completed on schedule in August 2016 and gave way to discussions about a new house building model which had been proposed and discussed at the start of the year by the partnership comprised of Abesu UK, the Abesu Women's Housing Co-operative (AWHC) and the Zambian development partner - Peoples Process in Housing and Poverty in Zambia (PPHPZ).

The partnership has always been committed to achieving project financial sustainability that is not dependent on international aid and where all strategic and operational decisions are taken in Zambia by those involved without the need to refer to any outside body. Accordingly, at the start of the year it was agreed to scope and formulate a new model based on the establishment of a financial loans fund that could be accessed to support small business ventures the proceeds from which could be used for house building. It was acknowledged that houses would not be built so quickly but far more houses would be built in future years than Abesu UK could hope to fund.

The new proposals took shape over the year and were accompanied with understandable concern by Co-operative members given the intended transfer of all responsibilities and the acknowledgement that additional skills would need to be acquired by the AWHC Board and membership. There was a widespread understanding that crafting the changes and implementing them would take time. Explaining and discussing the new model when AWHC members were not in the fields attending crops or undertaking family care responsibilities cannot be rushed.

In the meantime the Abesu partnership, and Abesu UK in particular, embarked upon strengthening the existing transport business based on the AWHC Canter truck and developing the small shop on the Shiyala site - both important income generating activities. Abesu UK agreed to secure funding for several important infrastructure improvements on the site - the building of a women's ward alongside the existing Health Clinic, the commissioning of a Clinic incinerator, and the construction of an improved security fence around the solar installation.

ABESU Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2017

At the start of the year a PPHPZ intern resided on site in the existing project accommodation and office building. It was decided that this was no longer necessary given the increased take up of responsibilities by the AWHC and plans were drawn up to convert the building into a small 'lodge' to provide three rooms of accommodation to teachers at the newly completed local school, adding to project income.

In the UK a sound foundation of Abesu supporters continued to provide monthly income to the project and a number of sponsored events added to the income generated. It was not possible to run a Summer Fair but a Pop-up shop opened for a week in central Cardiff.

The charity did not make applications to funding bodies because of the preoccupation of partners to devise future plans. In addition no new house building programme was begun. Accordingly, income and expenditure both reduced in relation to previous years. Abesu UK Board meetings concentrated on joint discussions about the future and encouraging the move of responsibility to Zambia accompanied by the message that Abesu UK would continue to provide some revenue support during the transitional period and ensure that capital funding provided a legacy of strong infrastructure.

There were two monitoring and evaluation visits during the year, in May and August 2016 which strengthened financial management procedures designed to oversee the transfer of responsibilities.

Financial review

Abesu UK relies on the continuing, regular and generous support of individuals and corporate funders. Much pro-bono help and advice is provided each year to the charity. The charity is managed on a voluntary basis and costs are kept to a minimum. Events supplement regular income.

Plans for future periods

There does appear to be a move among international development bodies to acknowledge the value of projects connecting housing, health and sanitation and Abesu has sought to connect its work to this developing narrative

ABESU Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2017

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Abesu for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

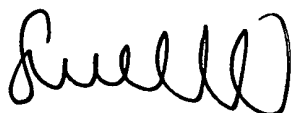
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. They 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.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on **19/12/17** 2017 and signed on behalf of the board of trustees by:



Mr S Merrill
Trustee



Mrs M Merrill
Charity Secretary

ABESU Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of ABESU Limited

Year ended 31 March 2017

I report on the financial statements for the year ended 31 March 2017, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

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

- examine the accounts under section 145 of the 2011 Act;
- 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 report

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

ABESU Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of ABESU Limited *(continued)*

Year ended 31 March 2017

Independent examiner's statement

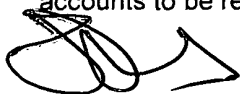
In connection with my examination, no matter has come to my attention:

(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

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 FCA
Independent Examiner

Walter Hunter & Co Limited
Chartered Accountants
24 Bridge Street
Newport
South Wales
NP20 4SF

ABESU Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 March 2017

		2017		2016
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	19,733	19,733	28,293
Other trading activities	6	—	—	1,245
Total income		<u>19,733</u>	<u>19,733</u>	<u>29,538</u>
Expenditure				
Expenditure on charitable activities	7,8	22,261	22,261	35,129
Total expenditure		<u>22,261</u>	<u>22,261</u>	<u>35,129</u>
Net expenditure and net movement in funds		<u>(2,528)</u>	<u>(2,528)</u>	<u>(5,591)</u>
Reconciliation of funds				
Total funds brought forward		5,935	5,935	11,526
Total funds carried forward		<u>3,407</u>	<u>3,407</u>	<u>5,935</u>

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

The notes on pages 9 to 14 form part of these financial statements.

ABESU Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2017

		2017		2016
		£	£	£
Current assets				
Cash at bank and in hand		4,277		6,787
Creditors: amounts falling due within one year	13	870		852
Net current assets			3,407	5,935
Total assets less current liabilities			3,407	5,935
Net assets			3,407	5,935
Funds of the charity				
Unrestricted funds			3,407	5,935
Total charity funds	14		3,407	5,935

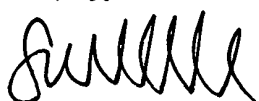
For the year ending 31 March 2017 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The shareholders have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 19/3/17, and are signed on behalf of the board by:



Mr S Merrill
Trustee

The notes on pages 9 to 14 form part of these financial statements.

ABESU Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 17 Whitcliffe Drive, Penarth, Vale of Glamorgan, CF64 5RY.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

Going Concern

The financial statements are prepared on a going concern basis, under the historical cost convention.

The charity is entirely dependent on continuing donations and grant aid and as a consequence the going concern basis is also dependent on continuing donations and grant aid.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 16.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

ABESU Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

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.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

ABESU Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

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.

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.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

4. 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 6 members of the company (2016: 7).

ABESU Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2017

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Donations	19,733	19,733	25,411	25,411
Gift Aid	—	—	2,882	2,882
	<u>19,733</u>	<u>19,733</u>	<u>28,293</u>	<u>28,293</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Fundraising events	—	—	1,245	1,245
	<u>—</u>	<u>—</u>	<u>1,245</u>	<u>1,245</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Development site costs	18,966	18,966	31,652	31,652
Support costs	3,295	3,295	3,477	3,477
	<u>22,261</u>	<u>22,261</u>	<u>35,129</u>	<u>35,129</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2017 £	Total fund 2016 £
Development site costs	18,966	3,295	22,261	35,129
	<u>18,966</u>	<u>3,295</u>	<u>22,261</u>	<u>35,129</u>

9. Analysis of support costs

	Support costs £	Total 2017 £	Total 2016 £
General office	1,658	1,658	1,749
Finance costs	1,111	1,111	1,264
Travel	526	526	464
	<u>3,295</u>	<u>3,295</u>	<u>3,477</u>

ABESU Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

10. Independent examination fees

	2017 £	2016 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>870</u>	<u>852</u>

11. Staff costs

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

No staff are employed by the charity in the UK and the administration is provided pro bono.

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred during the year (2016: nil).

13. Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals and deferred income	<u>870</u>	<u>852</u>

14. Analysis of charitable funds

Unrestricted funds

	At 1 April 2016 £	Income £	Expenditure £	At 31 March 2017 £
General funds	<u>5,935</u>	<u>19,733</u>	<u>(22,261)</u>	<u>3,407</u>

15. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2017 £
Current assets	<u>3,407</u>	<u>3,407</u>

16. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in the retained funds or income or expenditure for the year.

ABESU Limited

Company Limited by Guarantee

Management Information

Year ended 31 March 2017

The following pages do not form part of the financial statements.

ABESU Limited

Company Limited by Guarantee

Detailed Statement of Financial Activities

31 March 2017

	2017	2016
	£	£
Income and endowments		
Donations and legacies		
Donations	19,733	25,411
Gift Aid	–	2,882
	<u>19,733</u>	<u>28,293</u>
Other trading activities		
Fundraising events	–	1,245
	<u>–</u>	<u>1,245</u>
Total income	<u>19,733</u>	<u>29,538</u>
Expenditure		
Expenditure on charitable activities		
Repairs and maintenance	1,126	1,368
Insurance	–	48
Other establishment	17,176	27,850
Motor vehicle expenses	435	–
Legal and professional fees	883	852
Stationery, printing and advertising	1,658	1,749
Other costs	216	234
Travel	526	549
Bank charges	241	2,479
	<u>22,261</u>	<u>35,129</u>
Total expenditure	<u>22,261</u>	<u>35,129</u>
Net expenditure	<u>(2,528)</u>	<u>(5,591)</u>

Carried forward

ABESU Limited

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

31 March 2017

	2017 £	2016 £
Expenditure on charitable activities		
Development site costs		
<i>Activities undertaken directly</i>		
Repairs & maintenance	1,126	1,368
Building costs	17,176	27,850
Motor vehicle expenses	435	—
Other professional fees	13	—
Other costs	216	234
Event costs	—	133
Self Sustainability costs	—	2,067
	<u>18,966</u>	<u>31,652</u>
 <i>Support costs</i>		
Insurance	—	48
Accountancy fees	870	852
Stationery, printing and advertising	1,658	1,749
Motor and travel expenses	526	416
Bank charges	241	412
	<u>3,295</u>	<u>3,477</u>
 Expenditure on charitable activities	<u><u>22,261</u></u>	<u><u>35,129</u></u>