

COMPANY REGISTRATION NUMBER 5963909

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
UNAUDITED FINANCIAL STATEMENTS
31 MARCH 2014

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 2014

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ABESU LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2014

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the company for the year ended 31 March 2014.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	ABESU Limited
Charity registration number	1117700
Company registration number	5963909
Principal office	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 Rodrigues
Mr S Merrill

Secretary	Mrs M Merrill
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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 *(continued)*

YEAR ENDED 31 MARCH 2014

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

2013/14 constituted an important landmark for ABESU as, in partnership with the ABESU Women's Housing Co-operative in Zambia; it reached the half way point in meeting its core objective of constructing two hundred houses, one for each member of the Co-operative.

Between March 2008 and March 2013 over £365,000 was raised by the charity in the UK. During this period the Co-operative in Zambia grew and developed as a result of both planned change and in response to increasingly demanding and challenging circumstances on the ground.

During the first half of 2013/14 the focus on house building was maintained and the delivery of numeracy and literacy training with Co-operative members was initiated.

It had always been the intention of the Trustees to undertake a complete review of the charity at the half way point, and to identify an exit strategy and to put in place a plan to achieve self sustainability which would no longer rely on funds from the UK.

ABESU LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

ACHIEVEMENTS AND PERFORMANCE

Accordingly, during September and October 2013 a full project review was carried out by an independent assessor funded by the Humane Association, the Welsh Government's Wales for Africa Programme, and ABESU. This coincided with the annual monitoring and evaluation exercise. The UK Board considered the independent report and accompanying monitoring and evaluation report with great care and, in consultation with the Co-operative, devised the organisational changes and improvements that were then implemented.

The highly positive impact of house building was confirmed but attention was drawn to the need to improve governance expertise within the Co-operative, and to strengthen procedures and processes to ensure value for money in construction.

The already small Zambian based staff group was reorganised with a new female Housing Co-ordinator appointed to live on site. The existing offices were converted into a residence and the office moved to the adjacent IT Learning Centre. Modest funds were released to support the governance of the Co-operative, and to continue numeracy and literacy training.

The organisational changes took time to implement and settle down between November 2013 and March 2014. During this time the opportunity presented itself to instigate a survey of all ABESU houses, to repair the IT Learning Centre and, with the help of two UK paramedic volunteers, to refurbish and upgrade the Clinic.

FINANCIAL REVIEW

The charity was successful in securing funds from Trusts and Foundations but these were for specific activities and capital equipment rather than for house building, a position that the charity is well used to due to the reluctance of funders to support house building. Funds from regular donors reduced during the year and funding from events and corporate sponsors became increasingly important.

The charity employs no staff in the UK and the administration is provided pro bono with minimal office expenses. Transferring funds to Zambia is becoming increasingly expensive particular in charges in Zambia and Trustees explored more cost effective ways of making funds available. Core costs in Zambia constitute a regular monthly liability but they are not high. Building and other activity occurs when funds are available. Accordingly, the balance of funds is acceptable and there is no policy to maintain a high reserve.

PLANS FOR FUTURE PERIODS

By the end of the year the Co-operative had refreshed and improved its internal structure and procedures and the Shiyala site was in excellent condition and well positioned to support a return to the primary focus of house building.

ABESU LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

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 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.

INDEPENDENT EXAMINER

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

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

SMALL COMPANY PROVISIONS

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

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

Signed by order of the trustees


MRS M MERRILL
Company Secretary

2/9/2014

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ABESU LIMITED
YEAR ENDED 31 MARCH 2014**

I report on the accounts of the company for the year ended 31 March 2014 which are set out on pages 8 to 15.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

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

Having satisfied myself that the company 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 company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

INDEPENDENT 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.

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

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

YEAR ENDED 31 MARCH 2014


Mr Jonathan Rhodes BSc (Hons) FCA
Independent examiner

24 Bridge Street
Newport
South Wales
NP20 4SF

2nd September 2014

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

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

YEAR ENDED 31 MARCH 2014

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	38,169	16,200	54,369	54,829
Activities for generating funds	3	1,675	–	1,675	2,529
TOTAL INCOMING RESOURCES		39,844	16,200	56,044	57,358
RESOURCES EXPENDED					
Charitable activities	4/5	(68,231)	(5,113)	(73,344)	(58,438)
Governance costs	6	(2,126)	–	(2,126)	(1,347)
TOTAL RESOURCES EXPENDED		(70,357)	(5,113)	(75,470)	(59,785)
NET OUTGOING RESOURCES FOR THE YEAR/NET EXPENDITURE FOR THE YEAR					
	7	(30,513)	11,087	(19,426)	(2,427)
RECONCILIATION OF FUNDS					
Total funds brought forward		28,829	–	28,829	31,256
TOTAL FUNDS CARRIED FORWARD		(1,684)	11,087	9,403	28,829

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.

The notes on pages 10 to 15 form part of these financial statements.

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

31 MARCH 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Tangible assets	9	4,030	—
CURRENT ASSETS			
Cash at bank		6,201	29,639
CREDITORS: Amounts falling due within one year	10	<u>(828)</u>	<u>(810)</u>
NET CURRENT ASSETS		5,373	28,829
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,403</u>	<u>28,829</u>
NET ASSETS		<u>9,403</u>	<u>28,829</u>
FUNDS			
Restricted income funds	11	11,087	—
Unrestricted income funds	12	<u>(1,684)</u>	<u>28,829</u>
TOTAL FUNDS		<u>9,403</u>	<u>28,829</u>


For the year ended 31 March 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the members of the committee and authorised for issue on the 2nd September 2014 and are signed on their behalf by:



 MR T MERRILL

Company Registration Number: 5963909

The notes on pages 10 to 15 form part of these financial statements.

ABESU LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

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 the continuing donations and grant aid.

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.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

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 2014

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 2014

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Donations				
Donations	35,297	–	35,297	44,996
Gift Aid	2,872	–	2,872	9,833
Grants receivable				
The Waterloo Foundation	–	5,000	5,000	–
Welsh Government	–	2,000	2,000	–
Humane Society	–	2,500	2,500	–
States for Guernsey International Aid Commission	–	6,700	6,700	–
	<u>38,169</u>	<u>16,200</u>	<u>54,369</u>	<u>54,829</u>

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Fundraising events	<u>1,675</u>	<u>1,675</u>	<u>2,529</u>

4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Development site costs	67,078	5,113	72,191	56,795
Support costs	<u>1,153</u>	<u>–</u>	<u>1,153</u>	<u>1,643</u>
	<u>68,231</u>	<u>5,113</u>	<u>73,344</u>	<u>58,438</u>

5. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total Funds 2014 £	Total Funds 2013 £
Development site costs	<u>72,191</u>	<u>1,153</u>	<u>73,344</u>	<u>58,438</u>

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

6. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2014	Total Funds 2013
	£	£	£
Accountancy fees	828	828	810
Costs of trustees' meetings	394	394	–
Bank charges	904	904	537
	<u>2,126</u>	<u>2,126</u>	<u>1,347</u>

Travel expenses (included in motor and travel support costs) were paid to two trustees amounting to £394 (2013:nil).

7. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging:

	2014	2013
	£	£
Depreciation	<u>366</u>	<u>843</u>

8. STAFF COSTS AND EMOLUMENTS

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.

9. TANGIBLE FIXED ASSETS

	Motor Vehicles £
COST	
At 1 April 2013	6,840
Additions	4,396
At 31 March 2014	<u>11,236</u>
DEPRECIATION	
At 1 April 2013	6,840
Charge for the year	366
At 31 March 2014	<u>7,206</u>
NET BOOK VALUE	
At 31 March 2014	<u>4,030</u>
At 31 March 2013	<u>–</u>

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

10. CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Accruals	<u>828</u>	<u>810</u>

11. RESTRICTED INCOME FUNDS

	Incoming resources £	Outgoing resources £	Balance at 31 Mar 2014 £
Restricted Funds	<u>16,200</u>	<u>(5,113)</u>	<u>11,087</u>

Funds were donated by the Welsh Government of £2,000 and the Humane Society £2,500 to support the costs of an independent assessor in providing a monitoring and evaluation exercise, including identifying an exit strategy from UK funding. This report has been undertaken and completed.

The Waterloo Foundation funded £5,000 toward the purchase of a vehicle for use in Zambia. This vehicle has been capitalised within these financial statements. £366 has been provided for the (pro rata) depreciation cost of the vehicle for this financial year. The remainder of the fund is carried forward for future year depreciation costs.

The States for Guernsey International Aid Commission donated £6,700 toward the purchase of a 4x4 vehicle. As at the year end this vehicle has not yet been purchased.

12. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2013 £	Incoming resources £	Outgoing resources £	Balance at 31 Mar 2014 £
General Funds	<u>28,829</u>	<u>39,844</u>	<u>(70,357)</u>	<u>(1,684)</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Total £
Restricted Income Funds	10,730	357	11,087
Unrestricted Income Funds	<u>—</u>	<u>(1,684)</u>	<u>(1,684)</u>
Total Funds	<u>10,730</u>	<u>(1,327)</u>	<u>9,403</u>

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

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 (2013: 5).

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

MANAGEMENT INFORMATION

YEAR ENDED 31 MARCH 2014

**The following pages do not form part of the statutory financial statements
which are the subject of the independent examiner's report on pages 6 to 7.**

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2014

	2014	2013
	£	£
INCOMING RESOURCES		
VOLUNTARY INCOME		
Donations	35,297	44,996
Gift Aid	2,872	9,833
The Waterloo Foundation	5,000	—
Welsh Government	2,000	—
Humane Society	2,500	—
States for Guernsey International Aid Commission	6,700	—
	<u>54,369</u>	<u>54,829</u>
ACTIVITIES FOR GENERATING FUNDS	1,675	2,529
Fundraising events	<u>56,044</u>	<u>57,358</u>
TOTAL INCOMING RESOURCES		
RESOURCES EXPENDED		
CHARITABLE ACTIVITIES		
Establishment - Other	59,781	54,692
Office expenses - Other	3,340	1,729
Depreciation	366	843
Project management	400	600
Self-sustainability costs	8,923	—
Motor and travel expenses	534	534
Support Training	—	40
GOVERNANCE COSTS	73,344	58,438
Accountancy fees	828	810
Costs of trustees' meetings	394	—
Bank charges	904	537
	<u>2,126</u>	<u>1,347</u>
TOTAL RESOURCES EXPENDED	<u>75,470</u>	<u>59,785</u>
NET OUTGOING RESOURCES FOR THE YEAR	<u>(19,426)</u>	<u>(2,427)</u>

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2014

	2014 £	2013 £
CHARITABLE ACTIVITIES		
Development site costs		
<i>Activities undertaken directly</i>		
Establishment - Other	59,781	54,692
Office expenses - Other	2,721	660
Depreciation	366	843
Project management	400	600
Self-sustainability costs	8,923	—
	<u>72,191</u>	<u>56,795</u>
<i>Support costs</i>		
Office expenses - Other	619	1,069
Motor and travel expenses	534	534
Support Training	—	40
	<u>1,153</u>	<u>1,643</u>
	<u>73,344</u>	<u>58,438</u>
	<u>73,344</u>	<u>58,438</u>