

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM



## **Report and Financial Statements 1 April 2014 to 31 March 2015**

Company Registration No. 07863487 (England & Wales)

Registered Charity No. 1145721

Registered Office: 32 Warnborough Road Oxford OX2 6JA

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM

## Contents

	<b>Page</b>
<b>Reference and Administration Details</b>	<b>2</b>
<b>Directors’/Trustees’ Report</b>	<b>3</b>
<b>Independent Examiners Report</b>	<b>7</b>
<b>Income &amp; Expenditure Account</b>	<b>9</b>
<b>Balance Sheet</b>	<b>10</b>
<b>Notes to the Accounts</b>	<b>11</b>

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM

## Reference and Administrative Details

Charity Registration Number 1145721  
Company Registered Number 07863487  
Registered Office 32 Warnborough Road  
Oxford OX2 6JA  
Administrative Office 2A Nine Chimneys Lane  
Balsham  
Cambs CB21 4ES  
email: admin@zoa.org.uk  
website: www.zoa.org.uk

Bankers NatWest Bank plc  
23 Market Street  
Cambridge CB2 3PA

Independent Examiner Nigel De'Ath FIPA  
12 The Rookery  
Balsham  
Cambs CB21 4EU

Directors/Trustees The Directors/Trustees who served during the period were:

<u>Name</u>	<u>Appointed</u>
Lord Andrew Turnbull (Chair)	16/09/2006
Dr Shimwaayi Muntemba (Vice Chair)	16/09/2006
Geoffrey Croome (Hon Secretary)	16/09/2006
Jim Potter (Hon Treasurer)	16/09/2006
Prof Hugh MacMillan	02/06/2011
Tom Murdoch	28/10/2009
Rachel Quine	24/10/2011
Dr J Keith Rennie	16/09/2006

Fundraising Sophie Poore  
admin@zoa.org.uk

# **ZAMBIA ORPHANS OF AIDS UNITED KINGDOM**

## **DIRECTORS'/TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2015**

### **Objectives, history and activities of the Trust**

Zambia, one of the poorest countries in the world, is also one of the African countries where HIV/AIDS has hit hardest. HIV/AIDS accounts for at least half of the estimated 1.4 million orphans in the country. The mission of Zambia Orphans of AIDS is to play a leading part in relieving the resulting crisis, by helping these orphans to fulfil their potential in the face of the huge difficulties that they and their care-givers encounter.

Zambia Orphans of AIDS United Kingdom (ZOA–UK) was registered with the Charity Commission in October 2006. It was formed as the third branch of a grouping that comprises Zambia Orphans of AIDS USA (ZOA–US) and Zambia Orphans of AIDS Zambia (ZOA–Z). ZOA–US had been established in 2000 by a group of Zambians and friends of Zambia living in the USA, as a response to the growing HIV/AIDS crisis in Zambia and the rapidly increasing number of orphans that it was creating.

In 2003, ZOA–Z was registered in Zambia as a non-government organisation.

The approach of the ZOA family of organisations is to support well-established, community-based programmes for orphans and other vulnerable children, mostly in rural areas. Its money is spent principally on providing fees and other support in schooling and skills training, school feeding programmes, healthcare and housing support and support for income generation activities.

At the end of the period covered here, over 2,000 orphans and other vulnerable children were being supported.

### **Management and governance arrangements**

During the period reviewed, the trustees held three board meetings. In addition, planning meetings were held during the year, as well as discussions with other organisations that are undertaking similar work both in Zambia and elsewhere in Africa.

A memorandum of understanding signed in January 2007 formalised the relationship between ZOA–UK and its counterparts in Zambia and the US. It stated that “while they are separately-constituted legal entities with their own constitutions and governance, they will affiliate themselves under the common name of Zambia Orphans of AIDS (ZOA), they will share common principles and a common programme, and they will generally operate as three geographical branches of one organization.” ZOA–UK and ZOA–US take primary responsibility for fund-raising, while ZOA–Z is responsible for project identification, monitoring and evaluation.

## **Policy and procedures for grant making**

The principal ways in which ZOA–UK assists orphans and the communities supporting them are by:

- giving support so that orphans can complete their schooling
- helping school leavers to acquire skills for the world of work
- funding communities so that they can generate more income through business and agricultural projects
- dealing with the social consequences of HIV/AIDS by funding counselling for orphans and protecting young girls in particular from abuse and sexual exploitation

The Board of ZOA–Z, whose members all live in Zambia, seeks, receives and reviews project proposals from on the ground within the country and submits them to ZOA–UK and ZOA–US for funding. Typically, a funding request from a voluntary organisation might be for a sum equivalent to £1,500 to £10,000, for a one-year project, though larger projects involving community groups are considered and ongoing educational support projects may involve a commitment for up to four years. By agreement between ZOA–UK and ZOA–Z, 10% of the grant for each project is directed to supporting ZOA-Z's project development, evaluation, monitoring and reporting costs.

Like its US counterpart, ZOA–UK is free as a funding organisation to accept or to decline the request for funding of specific projects, based on the assessment made by ZOA–UK trustees and drawing on the wide range of relevant experience among the ZOA–UK board itself. Most of the UK board have worked and lived in Zambia. Individual board members can assist with in-field expertise, knowledge of HIV/AIDS issues, communication skills, understanding of relevant economic and social conditions, and experience in education and of running organisations ranging from grass-roots charities to businesses and government.

ZOA-Z monitors the projects being supported, and reports regularly on the projects to ZOA–UK and ZOA–US. Several ZOA–UK trustees have carried out, at their own expense, fact-finding visits to current or prospective projects in Zambia.

While many of the donations made to ZOA–UK leave its trustees with full freedom to decide the allocation of funds to projects, restricted donations entail allocation that meets the particular conditions laid down by the donor.

As a matter of policy, in order to maintain a strong chain of responsibility, ZOA–UK and ZOA–US do not share the funding of individual projects.

## **Financial review, investment policy and reserves**

ZOA–UK's income in the year ending March 31 2015 amounted to £125,184, of which £100,140 were restricted funds and £25,044 were unrestricted funds. Sources comprised annual membership receipts £8,313, donations £110,050 (of which £95,004 from trusts) and Gift Aid rebate £6,821.

In the period, expenditure consisted of 14 grants to a total value of £113,149. Fundraising and governance costs of £4,399 were met from specific donations. Grants from certain trustees met the costs of fundraiser and administrative salaries. All Trust and individual grants and donations were expended on the charity's activities in Zambia. Net assets at the end of the period amounted to £165,116, compared with £157,480 at the beginning of the period.

The trustees' objective is to disburse money for projects as soon as viable projects that meet selection criteria have been identified and their applications have been put forward and approved. Funds are not held for investment. The trustees policy is to maintain around 6 months of unrestricted funds in reserve at any one time.

At the end of the period, ZOA-UK employed one part-time fund-raiser and a part-time book-keeper. Their salaries and other costs were met by the grants from certain trustees referred to above.

### **Overview of Activities**

In the period 2014/15 we:

- supplied uniforms, shoes, books, requisites and user fees to 395 primary age OVCs
- supplied fees and uniform, shoes, books, requisites to 136 secondary school age OVCs
- supported 42 older OVCs with tertiary level fees, requisites and other support costs
- supplied school meals to 700 poor OVCs attending 3 community schools
- oversaw phase II of infrastructure development of Chibolya Memorial School including building of two new classrooms, latrines and water and electricity installation
- supported food and nutrition education programme for 20 HIV+, malnourished under-five OVCs
- helped fund a science laboratory build at slum community school with 700 pupils, many of whom are orphans

### **Future plans**

The present economic climate has added to the difficulties faced by charities in fund-raising. Looking beyond this, ZOA-UK has been planning to scale up significantly its fund-raising and disbursement. To help achieve this ambition, since the end of 2009 ZOA-UK has used the services of experienced part-time fundraisers, a strategy that, in particular, has successfully brought ZOA-UK to the attention of grant-giving trusts.

In aiming at a substantial increase in its annual income and grants, the trustees are highly conscious of the need for the governance of each part of the chain of responsibility to the beneficiary to be robust and effective. To that end, major emphasis has been given to building up, in line with increased funding, the capacity of ZOA-Z to identify, recommend and monitor projects.

### **Statement of trustees' responsibilities**

Charity law requires the trustees to prepare financial statements for each financial year that show a true and fair view of the state of affairs of the charity and its financial activities for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;

- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 charity will continue in operational existence.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Independent Examiner**

The trustees intend to ask the existing examiner to undertake the independent examination of the Trust's financial activities in the year ending March 31 2016.

Signed on behalf of the trustees

A handwritten signature in black ink that reads "Geoffrey Croome". The signature is written in a cursive style with a large initial 'G'.

Geoffrey Croome, Hon. Secretary

# **ZAMBIA ORPHANS OF AIDS UNITED KINGDOM**

## **Independent Examiners Report**

Report to the trustees of Zambia Orphans of AIDS UK, charity no. 1145721, company no 07863487, on the accounts for the twelve months ended 31 March 2015

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act), and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 43 of the 1993 Act.
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the 1993 Act, and
- state whether particular matters have come to my attention.

### **Basis of independent examiner's statement**

My examination was carried out in accordance with 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 the trustees concerning any such matters.

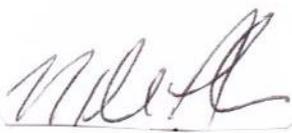
The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

## 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 41 of the 1993 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Acthave 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

As there have been no audited accounts in respect of Zambia Orphans of Aids-Zambia (ZOAZ), for a corresponding period, I am not able to confirm, that all project moneys received by ZOAZ from the UK between 1 April 2014 and 31 March 2015 have been paid out to the various projects for which they were intended. However, the Executive committee of ZOAZ has confirmed in ZOAZ's accounts for the year to 31 December 2014, that all funds received from the UK have been paid out to the projects for which they were intended. I have no reason to believe that that is not also the case for funds paid to ZOAZ between 1 January and 31 March 2015.



**Signed:**

**Name:** Nigel J De'Ath

**Relevant professional qualification of body:** Fellow (retired) of the Insolvency Practitioners Association

**Address:** 12 The Rookery Balsham Cambridge CB21 4EU

**Date:** 1 September 2015

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM

## Statement of Financial Activities (1) for the 12 month period 1 April 2013 to 31 March 2014 & 12 month period 1 April 2014 to 31 March 2015

### INCOME & EXPENDITURE

	12 months 2013/14	12months 2013/14	12 months 2013/14	12 months 2014/15	12 months 2014/15	12 months 2014/15
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Resources</b>						
<b>B/f 1 Jan/1 April</b>	<b>68,904</b>	<b>95,033</b>	<b>163,937</b>	<b>59,270</b>	<b>98,210</b>	<b>157,480</b>
<b>Voluntary Income</b>						
Friends	8,389	0	8,389	8,313	0	8,313
Trusts & other Donations	11,371	118,125	129,496	13,512	96,540	110,052
<b>Other Income</b>						
Gift Aid rebate	2,731	3,600	6,331	3,219	3,600	6,819
<b>Total incoming resources (Note 2)</b>	<b>22,491</b>	<b>121,725</b>	<b>144,216</b>	<b>25,044</b>	<b>100,140</b>	<b>125,184</b>
<b>Expenditure</b>						
<b>Costs of generating/ managing funds</b>						
Fundraising costs (net) (note 5)	956	0	956	1,348	0	1,348
Governance costs (Note 6)	1,725	0	1,725	3,051	0	3,051
<b>Charitable Activities</b>						
Project grants (Note 3)	29,444	118,548	147,992	7,685	105,464	113,149
<b>Total resources expended</b>	<b>32,125</b>	<b>118,548</b>	<b>150,673</b>	<b>12,084</b>	<b>105,464</b>	<b>117,548</b>
<b>Total C/f 31 March (Note 10)</b>	<b>59,270</b>	<b>98,210</b>	<b>157,480</b>	<b>72,230</b>	<b>92,886</b>	<b>165,116</b>

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM

## Statement of Financial Activities (2) for the 12 month period 1 April 2013 to 31 March 2014 & 12 month period 1 April 2014 to 31 March 2015

### BALANCE SHEET

	31 March 2014	31 March 2015
<b>Fixed Assets</b>	0	0
<b>Current Assets</b>		
Debtors	2,394	2,575
Bank Accounts	156,343	164,584
	<b>158,737</b>	<b>167,159</b>
<b>Current Liabilities</b>		
Creditors (Note 11)	1,257	2,043
<b>Net Assets</b> (Note 10)	<b>157,480</b>	<b>165,116</b>
<b>of which Restricted</b>	<b>98,210</b>	<b>92,886</b>
<b>Unrestricted</b>	<b>59,270</b>	<b>72,230</b>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Signed on behalf of the trustees



Jim G Potter, Director and Hon. Treasurer

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM

## Notes to the Accounts for the period 1 April 2014 to 31 March 2015

### 1 Accounting policies

- a) The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005), revised in May 2008, applicable accounting standards and the provisions of the small companies regime within Part 15 of the Companies Act 2006.

The Charity has opted not to produce a cash flow statement, in line with the small company exemption in the Companies Act 2006.

- b) Voluntary income received by way of donations and gifts for the support of Orphans and Vulnerable Children (OVCs) in Zambia is included in full in the statement of income receivable.
- c) Friends income is unrestricted income received on a regular payment basis from individual supporters of the Charity.
- d) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the relevant fund.
- e) Expenditure, including attributable VAT which cannot be recovered, is recognised in the period in which it is incurred.
- f) The Charity employs one part-time fundraiser and a part-time bookkeeper. All their costs are met by the Trustees. (Notes 4 & 6)
- g) Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM

## Notes to the Accounts (continued) for the period 1 April 2014 to 31 March 2015

### 2 Analysis of Income

	12 months 2013/14	12 months 2014/15
Friends regular giving	8,389	8,313
<b>Donations</b>		
Individuals	1,102	15,048
Trusts	128,394	95,004
<b>Gift Aid</b>	6,331	6,819
<b>Total</b>	144,216	125,184

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM

## Notes to the Accounts (continued) for the period 1 April 2014 to 31 March 2015

### 3 Project Grants to Zambia

Grants are made by ZOA-UK Trustees on a project by project basis. The sister charity – Zambia Orphans of AIDS Zambia (ZOAZ) evaluate, monitor and report on projects on behalf of ZOA-UK for which a 10% fee is granted.

The grants sent in the year including evaluation, monitoring and reporting costs were:

Proj No	Project	12 months 2013/14	12 months 2014/15
1	ZOA Zambia Director's Salary contribution	4,000	0
7	Kasama Christian Community Care (School & Social Support)	18,592	26,455
8	Lubushi Orphans Resettlement Scheme	6,231	8,757
12	Maseele Widows Club for OVCs	3,900	4,380
14	Nevers Care & Educational Support Group	4,833	12,439
15	Chipembi School for Girls	7,416	2,155
19	Chibolya Education & Health Organisation	45,936	8,891
21	Hope & Faith Science Lab	0	15,300
21	Hope & Faith School Feeding Programme	14,960	7,778
22	John Laing Sausage Making & OVC Support	2,171	0
26	Twavwayne Home Based Care Initiative	6,865	6,455
28	Rise Community Aid Programme (RICAP)	9,900	5,556
31	RICAP Metal Fabrication IGA	6,468	878
32	Higher & Vocational Education Fund (HVEF)	11,100	0
33	Solar Aid Lights	270	1,000
34	Mulele Mwana	5,350	8,703
35	KCCC Piggery	0	4,402
<b>Total</b>		<b>147,992</b>	<b>113,149</b>

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM

## Notes to the Accounts (continued) for the period 1 April 2014 to 31 March 2015

### 4 Fundraising Salary Cost

	12 months 2013/14	12 months 2014/15
Grants from Trustees including Gift Aid b/f	10,563	8,018
Grants from Trustees including Gift Aid	12,000	21,750
	<b>22,563</b>	<b>29,768</b>
Fundraising Salaries	14,545	17,145
<b>Restricted funds c/f</b>	<b>8,018</b>	<b>12,623</b>

### 5 Other Fundraising Expenses

	12 months 2013/14	12 months 2014/15
Just Giving/Virgin Money Fees	305	398
Fundraising Expenses	651	950
	<b>956</b>	<b>1,348</b>

### 6 Governance Cost

	12 months 2013/14	12 months 2014/15
Bank Transfer	638	552
Webhost Fee	75	32
Website Development	0	2,070
ICO Registration	35	35
Brochure Printing	500	0
Database/Information Services	477	354
Postage	0	8
	<b>1,725</b>	<b>3,051</b>
Grant from Trustee including Gift Aid b/f	5,209	7,665
Grant from Trustee including Gift Aid	6,000	0
	<b>11,209</b>	<b>7,665</b>
Admin salary	3,544	3153
<b>Restricted funds c/f</b>	<b>7,665</b>	<b>4,512</b>

7 **Trustee Expenses** - There are no Trustee expenses.

8 **Staff** - The Charity employs one part-time self-employed fundraiser and a part-time bookkeeper.

9 **Taxation** - The Charity is exempt from corporation tax all its income is charitable and is applied for charitable purposes

# ZAMBIA ORPHANS OF AIDS UNITED KINGDOM

## Notes to the Accounts (continued) for the period 1 April 2014 to 31 March 2015

### 10 Analysis of Assets between Funds

	<b>31 March 2014</b>	<b>31 March 2015</b>
Restricted Fund (Chipembi)	5,874	3,719
Restricted Fund (Chibolya)	1,970	0
Restricted Fund (Hope & Faith)	29,260	24,700
Restricted Fund (Lubushi)	0	5,001
Restricted Fund (KCCC Piggery)	0	6,598
Restricted Fund (Higher Education)	45,423	35,733
Restricted Fund (Fundraiser Fees, note 4)	8,018	12,623
Restricted Fund (Admin Salary, note 6)	7,665	4,512
	<b>98,210</b>	<b>92,886</b>
Unrestricted Fund	59,270	72,230
<b>31 March</b>	<b>157,480</b>	<b>165,116</b>

### 11 Creditors

	<b>31 March 2014</b>	<b>31 March 2015</b>
Fundraising March 2014/March 2015 Salary & Expenses	977	1,824
Admin March 2014 Salary/ March 2015 Salary	280	219
	<b>1,257</b>	<b>2,043</b>

### 12 Movements in Funds

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
<b>12 months 2013/14</b>			
Balances b/f	68,904	95,033	163,937
Incoming Resources	22,491	121,725	144,216
<b>Less</b> Outgoing Resources	32,125	118,548	150,673
Balance c/f to 2013/14	<b>59,270</b>	<b>98,210</b>	<b>157,480</b>
<b>12 months 2014/15</b>			
Incoming Resources	25,044	100,140	125,184
<b>Less</b> Outgoing Resources	12,084	105,464	117,548
Balance c/f to April 2015 inc. reserves	<b>72,230</b>	<b>92,886</b>	<b>165,116</b>

### 13 Guarantee

The Company is limited by guarantee. The guarantee of each Trustee Director is limited to a maximum of £1.