

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
UNAUDITED FINANCIAL STATEMENTS
31 MARCH 2013

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 2013

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**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 MARCH 2013**

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 2013

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	ABESU Limited
Charity registration number	1117700
Company registration number	5963909
Registered office	17 Whiteliffe 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

OBJECTIVES AND ACTIVITIES

Impact on families

It is clear that housing has a significant impact on the economic security of householders, their self-esteem, and their practical ability to become involved in income generating activities. In addition, ABESU note that the health and wellbeing of household members has been positively affected

ABESU LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

ACHIEVEMENTS AND PERFORMANCE

Due to strong connections with Zambia, its culture, community and government structures, the charity has managed to deliver funds that are very well used and accounted for at a project level

Full progress reports are regularly received and the programme of building has been on schedule notwithstanding greater extremes of weather

Overall the project has been crafted to be very simple in concept and outcome As a result very few difficulties have been encountered

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 in addition to the current provision of a 4x4 vehicle

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

The year witnessed a significant change in arrangements with our partner in Zambia, the Mitengo Women's Co-operative Early in the year it became apparent that the 200 Mitengo members involved in the housing initiative funded by Abesu in the UK had increasing concerns about the management of the project, its co-operative credentials, and the approach of some staff Together they proposed the establishment of a separate Co-operative and discussions up to Christmas 2012 achieved this revised arrangement with the minimum of disturbance Funding from the Abesu in The UK transferred to the new 'Abesu Co-operative' and the Mitengo co-operative was deregistered

These changes did not interfere with the house building programme although some resources were diverted (£2,658) to build a new office located in Shiyala, adjacent to the Abesu Clinic

By the end of the year 101 self-built houses had been completed (including the nurse's house) The total Bill of Quantities remained constant notwithstanding variations in the cost of some materials The quality continued to be good and necessary remedial repairs were identified

Funds were released during the year for the construction of an IT Learning Centre (£3,800) with two classrooms Solar power was provided by the 'Go Zambia' Health Project

The annual Monitoring and Evaluation visit undertaken in October 2012 focussed on financial management procedures and only small recommendations proved necessary to improve existing procedures The state of the projects 4x4 raised considerable concern as its use to build at that time almost 100 houses was resulting in unsustainable repair bills

On reorganisation the Housing Worker had taken over the former (Mitengo) Chief Executives responsibilities, however it was felt strongly by the co-operative members that a woman Director should be appointed for a woman's Co-operative Preparations to do this were put in place and to rationalise the staff compliment in order to meet the cost

ABESU LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

In the UK the Abesu Board remained unchanged and committed to supporting the Abesu Co-operative towards achieving its target of self-building 200 houses

The Board encountered increasing challenges to fundraising and attention was turned to Trusts and Foundations. As funding sources are steadfastly reluctant to provide capital funding for housing attention was directed towards offsetting revenue costs through projects providing training and capacity building.

As core and fundraising costs in the UK are minimal the Board was mindful to move funds for house building and related initiatives out to the Abesu co-operative at the soonest opportunity and progress activity on the ground.

The Board expressed a desire to support the co-operative to generate income in Zambia through social enterprises and in-country donations now that the project had reached half way, having built over 100 of the 200 houses.

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.

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.

PLANS FOR FUTURE PERIODS

In February 2013 the ABESU Board took the decision to commission a research report on its work since it was established in 2007 to inform the possible 'scaling up' of the initiative with funding from new sources. The report will be completed by December 2013 and is funded by the Humane Society and Wales Africa Community Links.

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE****TRUSTEES ANNUAL REPORT *(continued)*****YEAR ENDED 31 MARCH 2013****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.

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

INDEPENDENT EXAMINER

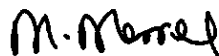
Mr Jonathan Rhodes BSc (Hons) FCA has been re-appointed as independent examiner for the ensuing year

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

30/9/2013

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ABESU LIMITED
YEAR ENDED 31 MARCH 2013**

I report on the accounts of the charity for the year ended 31 March 2013 set out on pages 8 to 15

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 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 I do not express an audit opinion on 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 2013

INDEPENDENT EXAMINER'S STATEMENT

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

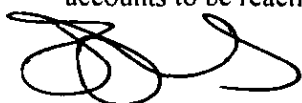
(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- 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



Mr Jonathan Rhodes BSc (Hons) FCA
Independent examiner

24 Bridge Street
Newport
South Wales
NP20 4SF

30.9.2013

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

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

YEAR ENDED 31 MARCH 2013

	Note	Total Funds 2013 £	Total Funds 2012 £
INCOMING RESOURCES			
Incoming resources from generating funds			
Voluntary income	2	54,829	54,450
Activities for generating funds	3	2,529	1,315
TOTAL INCOMING RESOURCES		57,358	55,765
RESOURCES EXPENDED			
Charitable activities	4/5	(58,438)	(68,710)
Governance costs	6	(1,347)	(1,303)
TOTAL RESOURCES EXPENDED		(59,785)	(70,013)
NET OUTGOING RESOURCES FOR THE YEAR/NET EXPENDITURE FOR THE YEAR	7	(2,427)	(14,248)
RECONCILIATION OF FUNDS			
Total funds brought forward		31,256	45,504
TOTAL FUNDS CARRIED FORWARD		28,829	31,256

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 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	9	—	843
CURRENT ASSETS			
Cash at bank		29,639	31,193
CREDITORS: Amounts falling due within one year	10	<u>(810)</u>	<u>(780)</u>
NET CURRENT ASSETS		28,829	30,413
TOTAL ASSETS LESS CURRENT LIABILITIES		28,829	31,256
NET ASSETS		28,829	31,256
FUNDS			
Unrestricted income funds	11	28,829	31,256
TOTAL FUNDS		28,829	31,256

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 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

The Balance sheet continues on the following page
The notes on pages 11 to 15 form part of these financial statements

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET *(continued)*

31 MARCH 2013

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 **30/9/2013** 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 2013

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

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.

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.

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES *(continued)*

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

2. VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Donations			
Donations	44,996	44,996	53,779
Gift Aid	9,833	9,833	671
	<u>54,829</u>	<u>54,829</u>	<u>54,450</u>

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Fundraising events	<u>2,529</u>	<u>2,529</u>	<u>1,315</u>

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013

4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Development site costs	56,795	56,795	58,872
Support costs	1,643	1,643	9,838
	<u>58,438</u>	<u>58,438</u>	<u>68,710</u>

5 COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total Funds 2013 £	Total Funds 2012 £
Development site costs	56,795	1,643	58,438	68,710

6. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Accountancy fees	810	810	780
Bank charges	537	537	523
	<u>1,347</u>	<u>1,347</u>	<u>1,303</u>

There were no expenses paid to Trustees during the year (2012 Nil)

7. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging

	2013 £	2012 £
Depreciation	<u>843</u>	<u>920</u>

8. STAFF COSTS AND EMOLUMENTS

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

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013

9. TANGIBLE FIXED ASSETS

	Motor Vehicles £
COST	
At 1 April 2012 and 31 March 2013	<u>6,840</u>
DEPRECIATION	
At 1 April 2012	5,997
Charge for the year	<u>843</u>
At 31 March 2013	<u>6,840</u>
NET BOOK VALUE	
At 31 March 2013	<u>—</u>
At 31 March 2012	<u>843</u>

10. CREDITORS: Amounts falling due within one year

	2013 £	2012 £
Accruals	<u>810</u>	<u>780</u>

11 UNRESTRICTED INCOME FUNDS

	Balance at 1 April 2012 £	Incoming resources £	Outgoing resources £	Balance at 31 March 2013 £
General Funds	<u>31,256</u>	<u>57,358</u>	<u>(59,785)</u>	<u>28,829</u>

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Net current assets/ (liabilities) £	Total £
Unrestricted Income Funds	<u>28,829</u>	<u>28,829</u>
Total Funds	<u>28,829</u>	<u>28,829</u>

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013**

13. 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 (2012 5 members)

**ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2013**

**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 2013

	2013 £	2012 £
INCOMING RESOURCES		
VOLUNTARY INCOME		
Donations	44,996	53,779
Gift Aid	9,833	671
	<u>54,829</u>	<u>54,450</u>
ACTIVITIES FOR GENERATING FUNDS		
Fundraising events	2,529	1,315
	<u>57,358</u>	<u>55,765</u>
TOTAL INCOMING RESOURCES		
RESOURCES EXPENDED		
CHARITABLE ACTIVITIES		
Establishment - Other	54,692	47,929
Office expenses - Other	1,729	1,971
Depreciation	843	920
Project management	600	8,416
UK Co-ordinator	—	3,038
Motor and travel expenses	534	6,203
Training	40	233
	<u>58,438</u>	<u>68,710</u>
GOVERNANCE COSTS		
Accountancy fees	810	780
Bank charges	537	523
	<u>1,347</u>	<u>1,303</u>
TOTAL RESOURCES EXPENDED	<u>59,785</u>	<u>70,013</u>
NET OUTGOING RESOURCES FOR THE YEAR	<u>(2,427)</u>	<u>(14,248)</u>

ABESU LIMITED
COMPANY LIMITED BY GUARANTEE
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2013

	2013 £	2012 £
CHARITABLE ACTIVITIES		
Development site costs		
<i>Activities undertaken directly</i>		
Establishment - Other	54,692	47,929
Office expenses - Other	660	1,607
Depreciation	843	920
Project management	600	8,416
	<u>56,795</u>	<u>58,872</u>
<i>Support costs</i>		
Office expenses - Other	1,069	364
UK Co-ordinator	—	3,038
Motor and travel expenses	534	6,203
Training	40	233
	<u>1,643</u>	<u>9,838</u>
	<u>58,438</u>	<u>68,710</u>
	<u>58,438</u>	<u>68,710</u>