

Charity Registration No. 1137870

Company Registration No. 06915649 (England and Wales)

**"WE THE CHANGE" FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017**



"WE THE CHANGE" FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr A R Evans
Miss S Arnott
Ms S Gecaga

(Appointed 26 March
2018)

Charity number

1137870

Company number

06915649

Registered office

5 Brogden Street
Ulverston
Cumbria
United Kingdom
LA12 7AH

Independent examiner

Melville & Co
Unit 17-18, Trinity Enterprise Centre
Furness Business Park
Ironworks Road
Barrow-in-Furness
LA14 2PN

"WE THE CHANGE" FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Statement of cash flows	7
Notes to the accounts	8 - 13

"WE THE CHANGE" FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 APRIL 2017

The trustees present their report and accounts for the year ended 30 April 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the memorandum and articles, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The charity's objects are to advance any purposes which are exclusively charitable under the laws of England and Wales, from time to time and in particular, but not limited to: the prevention or relief of poverty, the relief of financial hardship and the advancement of education in Kenya.

The objects of the Charity are carried out by providing funding and resources to institutions, organisations and individuals who are carrying out charitable work in Kenya in order to assist them in their endeavours. In particular, the Charity shall (in the future) provide funding to "We the Change" Foundation (Kenya), a non-governmental organisation that is currently being established in Kenya with objects that read as follows: "to advance any purposes which are exclusively charitable under the laws of the Republic of Kenya and in particular, but not limited to: the prevention or relief of poverty, the relief of financial hardship and the advancement of education." "We the Change" Foundation (Kenya) shall in turn provide funding to a number of smaller community based projects in Kenya.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. The charity operates for the public benefit, by supporting children living in marginalised communities in Kenya (eg: slums) through the provision of early childhood education, food, healthcare and counselling. These are children who would otherwise not be able to receive this support.

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Achievements and performance

As per the previous year, the Mathare Early Childhood Development Centre (the MECDC) is a community based project that continues to be supported by the Charity. It is an early childhood development centre based in the urban slum of Mathare, which is just outside of Nairobi, Kenya. The MECDC feeds and educates 60 orphans and vulnerable children between the ages of 2 and 7 years old, which is the same number as the previous year.

"WE THE CHANGE" FOUNDATION

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 APRIL 2017

Financial review

The results for the year are summarised in the Statement of Financial Activities (income and expenditure account) on page 4 and the balance sheet on page 5. The figures show income for the year of £20,485 and expenditure of £22,069, leaving a deficit for the year of £1,584 and a negative fund balance of £1,604.

The board have not formally defined a reserves policy.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Subsequent to the year end, the charity's bank account was closed, however the funding provided directly by the donor meant that there was no alteration in the services provided.

Structure, governance and management

The charity is a company limited by guarantee. It was incorporated on 26th May 2009 and the governing document is a memorandum and articles of association dated then. Its company registered number is 06915649 and it is a registered charity with a charity number of 1137870.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr A R Evans	
Mrs A L Dawson-Damer	(Resigned 27 March 2017)
Miss S Arnott	
Mr G R Bolton	(Resigned 28 March 2018)
Mrs I E Ogilvie-Thompson	(Resigned 6 March 2017)
Ms S Gecaga	(Appointed 26 March 2018)

New trustees are identified for appointment on the basis of the balance of skills and experience required by the Charity and their knowledge of Kenya.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The Board of Trustees (directors) is the responsible body of the organisation and decides upon strategies and exercises management oversight of the charity. The day to day running is carried out by an Executive Director (unpaid) and by part time and freelance staff as required, all of whom are responsible to, and make regular reports to, the Board of Trustees.

There are no related parties of the charity.

"WE THE CHANGE" FOUNDATION

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 APRIL 2017

Statement of trustees' responsibilities

The trustees, who are also the directors of "We the Change" Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The trustees' report was approved by the Board of Trustees.



Mr A R Evans

Trustee

Dated: 02/05/18

"WE THE CHANGE" FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF "WE THE CHANGE" FOUNDATION

I report on the accounts of the charity for the year ended 30 April 2017, which are set out on pages 5 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees, who are also the directors of "We the Change" Foundation 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 charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) 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
- (iii) to state whether particular matters have come to my attention.

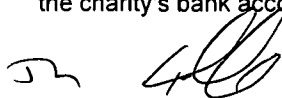
Basis of independent examiner's report

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.

Independent examiner's statement

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) 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.
- (b) No other matter has come to my attention in connection with my examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached other than that disclosed in note 12 to the accounts - Post balance sheet events - concerning the closure of the charity's bank account.



Mr J R Goffe
Melville & Co

Chartered Accountants
Unit 17-18, Trinity Enterprise Centre
Furness Business Park
Ironworks Road
Barrow-in-Furness
LA14 2PN

Dated: 03/05/2018

"WE THE CHANGE" FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 APRIL 2017

	Notes	2017 £	2016 £
<u>Income from:</u>			
Donations and legacies	3	20,485	22,661
Investments	4	-	6
Total income		<u>20,485</u>	<u>22,667</u>
<u>Expenditure on:</u>			
<u>Charitable activities</u>			
Activities undertaken directly	5	22,069	26,686
Total charitable expenditure		<u>22,069</u>	<u>26,686</u>
Net expenditure for the year/ Net movement in funds		(1,584)	(4,019)
Fund balances at 1 May 2016		(20)	3,999
Fund balances at 30 April 2017		<u>(1,604)</u>	<u>(20)</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

"WE THE CHANGE" FOUNDATION

BALANCE SHEET

AS AT 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	9		-		82
Current assets					
Cash at bank and in hand		10,140		10,569	
Creditors: amounts falling due within one year	10	(11,744)		(10,671)	
Net current liabilities			(1,604)		(102)
Total assets less current liabilities			(1,604)		(20)
Income funds					
Unrestricted funds			(1,604)		(20)
			(1,604)		(20)

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 April 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The accounts were approved by the Trustees on 02/05/17



Mr A R Evans
Trustee

Company Registration No. 06915649

"WE THE CHANGE" FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash absorbed by operations	13		(429)		(7,658)
Investing activities					
Interest received		-		6	
Net cash (used in)/generated from investing activities			-		6
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(429)		(7,652)
Cash and cash equivalents at beginning of year			10,569		18,221
Cash and cash equivalents at end of year			10,140		10,569

"WE THE CHANGE" FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

Charity information

"We the Change" Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 5 Brogden Street, Ulverston, Cumbria, LA12 7AH, United Kingdom.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 Resources expended

All expenditure is accounted for gross, and when incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

"WE THE CHANGE" FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.10 Taxation

The charity is not liable to Corporation Tax on any surplus it makes providing the surplus is used for charitable purposes.

1.11 Funds

Restricted funds represent income received which can only be expended on specific funds as defined by the donor. Unrestricted funds are all other funds held by the charity, including general purpose funds. Designated funds are restricted funds that the trustees have set aside for specific purposes.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	20,485	22,661

"WE THE CHANGE" FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

4 Investments

	2017	2016
	£	£
Interest receivable	-	6
	<u> </u>	<u> </u>

5 Charitable activities

	2017	2016
	£	£
Staff costs	5,801	6,085
Feeding programme	9,505	9,816
Teaching aids	205	275
Exam and graduation expenses	261	140
	<u> </u>	<u> </u>
	15,772	16,316

Share of support costs (see note 6)	5,697	9,852
Share of governance costs (see note 6)	600	518

	<u> </u>	<u> </u>
	22,069	26,686

Analysis by fund

Unrestricted funds	22,069
	<u> </u>
	22,069

For the year ended 30 April 2016

Unrestricted funds	26,686
	<u> </u>
	26,686

"WE THE CHANGE" FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

6 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Depreciation	82	-	82	217	
Administrative costs	5,615	-	5,615	9,635	Actual
Accountancy	-	600	600	518	Governance
	<u>5,697</u>	<u>600</u>	<u>6,297</u>	<u>10,370</u>	
Analysed between Charitable activities	<u>5,697</u>	<u>600</u>	<u>6,297</u>	<u>10,370</u>	

Governance costs includes payments to the Independent Examiners in respect of the Examination.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year.

8 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Manager - Kenya	1	1
Teachers, assistants and support staff - Kenya	11	11
	<u>12</u>	<u>12</u>

Employment costs

	2017 £	2016 £
Wages and salaries	<u>5,801</u>	<u>6,085</u>

There were no employees whose annual remuneration was £60,000 or more.

"WE THE CHANGE" FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

9 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 May 2016	872
At 30 April 2017	872
Depreciation and impairment	
At 1 May 2016	790
Depreciation charged in the year	82
At 30 April 2017	872
Carrying amount	
At 30 April 2016	82

10 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	350	650
Other creditors	10,890	9,517
Accruals and deferred income	504	504
	<u>11,744</u>	<u>10,671</u>

11 Events after the reporting date

The charity's bank account was closed, by the bank, on 7 June 2016 at which point the balance stood at £10,140. The former bank prepared a cheque for this amount to be paid into the charity's new bank account. There have been significant delays in getting the new account opened and, as of the date of signing these accounts the, that cheque has new bank account has still not been opened. The former bank have confirmed they will re-issue the cheque for this amount as soon as the account is opened. All expenditure incurred since that point has been financed directly by a donor to the charity, or by the Executive Director.

Subsequent to the year end, one of the directors pledged £2,000 to improve the financial position of the charity. This has been set aside to be paid into the company account once this has been opened.

12 Related party transactions

There were no disclosable related party transactions during the year (2016- none).

"WE THE CHANGE" FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

13	Cash generated from operations	2017 £	2016 £
	Deficit for the year	(1,584)	(4,019)
	Adjustments for:		
	Investment income recognised in statement of financial activities	-	(6)
	Depreciation and impairment of tangible fixed assets	82	217
	Movements in working capital:		
	Increase/(decrease) in creditors	1,073	(3,850)
	Cash absorbed by operations	<u>(429)</u>	<u>(7,658)</u>