

Company number: 03446625

Charity number: 1067322

Village Aid Ltd

Report and financial statements

For the year ended 31 March 2017

Village Aid Ltd

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For the year ended 31 March 2017

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Village Aid Ltd

Reference and administrative information

For the year ended 31 March 2017

Company number 03446625

Charity number 1067322

Registered office and operational address Village Aid
Aldern House
Baslow Road
BAKEWELL
DE45 1AE

Country of registration England & Wales

Country of incorporation United Kingdom

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Alan Davies	Chair
David Phillips	
David Winder	Appointed June 2016

Company Secretary Blaise White
Obiechina Ofokansi Appointed 25 February 2017

Bankers Royal Bank of Scotland
Bakewell
DE45 1BT

Solicitors Taylor and Emmet
Bridge Street
Bakewell
DE45 1DS

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2017.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Mission and Vision: We want to live in a world where people in Africa enjoy a peaceful society, a prosperous economy and a healthy environment.

We work with people in Africa to secure long term positive change in their lives. We achieve this by developing strong working relationships with local community based partners, supporting them to build their own capacity and to deliver grassroots programmes including: Education and Learning, Securing Livelihoods and Advocacy and Justice.

From rural England to rural West Africa, Village Aid believes in people working together in partnership.

Village Aid is a wholly owned subsidiary of United Purpose (since 2015). As well as running projects directly through the Village, the charity make grants to support the wider work of United Purpose.

Village Aid's long term objectives include to:

- Work effectively at a small and appropriate scale directly with people in Africa.
- Support self-determination and capacity enhancement at village level in areas determined by the communities themselves.
- Support people's ability to lever in and mobilise the resources they need.
- Use African resources and resourcefulness where these strengthen local capacity to take effective decisions.
- Encourage those taking decisions to be responsible for them and for ensuring they are able to implement them.
- Present positive images of African people and the way they are driving their own development.
- Establish long-term partnerships with like-minded organisations.
- Bring together the needs of the funders and African communities to benefit marginalized people.
- Promote our values with marginalised people and those who take decisions which affect them in the UK and Africa.
- Challenge our assumed roles and responsibilities and the ways in which we carry them out.
- Continue to enrol UK supporters to achieve our aims in Africa.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of

each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on our vision of a world where people in Africa enjoy a peaceful society, a prosperous economy, and a healthy environment and are undertaken to further Village Aid's charitable purposes for the public benefit.

During 2016/17 Village Aid focussed on the following:

1. Strengthening Village Aid's 'brand identity' in the Peak District, building profile and increasing funds raised through events, volunteers and business for the public benefit of African communities;

This objective remains central to our current strategy which focusses on playing to Village Aid Ltd's key strengths as a small, rurally based development charity uniquely placed in the Peak District National Park.

During the period we have made good progress against this objective. Not limited to;

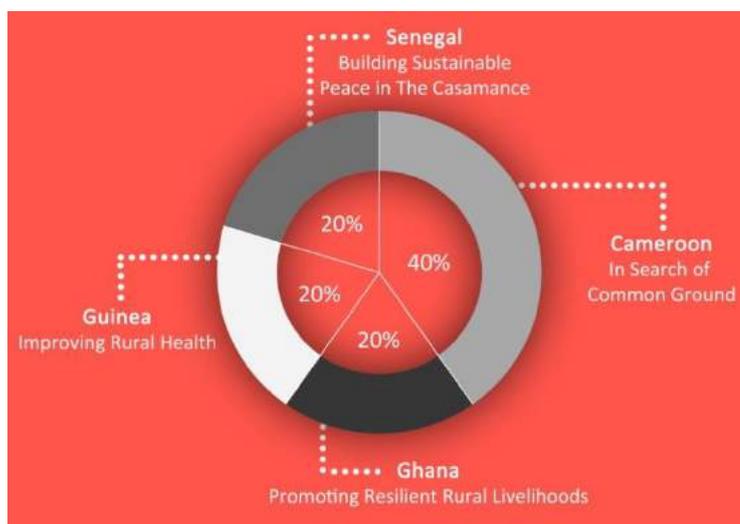
- Strengthening our commitment to the Peak District Environmental Quality Mark scheme by working on our partnerships with local Peak District businesses (including the Dove Valley Centre and the Servants Quarters'). We were also delighted to initiate new partnerships with new businesses including two local business; The Private Chef Company and Cathy Bower photography.
- Celebrating our 25th Anniversary with a series of prominent fundraising events that culminated in a dinner on the 18th November at Chatsworth House that raised just over £15,000.
- Supporters took part in all sorts of their own fundraising to support Village Aid, including running the London Marathon, Choral Events and birthday celebrations, significantly increasing our income through this channel.
- Continued partnerships with the Universities in Sheffield and continued to work with our Village Aid Society 'Friends of Village Aid' at Sheffield University.
- Legacies also continued to play a vital role in our income and we are very grateful to all of our supporters who chose to support Village Aid Ltd in this way.

2. Supporting United Purpose programmes in Africa for public benefit;

Village Aid Ltd's work in Africa continued to support communities in Cameroon, Ghana and Guinea in 2016/17. We also supported work in Senegal this year.

Our main focus in the year was to support United Purpose's work with local communities and local organisations to support food security, upholding rights and sustainable livelihoods. To this end we granted total funds of £97,500 to United Purpose in the year.

The projects supported were as displayed in the pie chart (right), where the additional funds spent in Cameroon account for the additional grant of £11,893 received for the provision of water catchment areas as a part of the larger 'In Search of Common Ground' project in Cameroon. All of the projects supported in the year were community-led development programmes focusing on: Education and Learning, Securing Livelihoods and Advocacy and Justice in West Africa.



With grants made the following key indicators will be achieved



Further details of Village Aid projects can be viewed in Village Aid's 16/17 Impact Report, available to download at www.villageaid.org/resources.

Financial review

As of 31st March 2017, unrestricted income was £109,113 (£114,764 - FY 2015/16), and expenditure was £98,164 (£152,050 - FY2015/16). Restricted income was £11,893 and expenditure was £11,893 leaving no restricted balance year end.

Total unrestricted funds to be carried forward was £16,699 (£5,750 FY 2015/16), and restricted funds were £Nil (£Nil – FY 2015/16).

Full details of the restricted funds incoming and outgoing resources are outlined in Note:11a and b.

Reserves policy and going concern

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be kept to a minimum for operational purposes with excess funds made available to fund the wider work of United Purpose. Since Village Aid became a wholly owned subsidiary of United Purpose, United Purpose have undertaken all costs, including staffing costs, on behalf of Village Aid, and as a consequence reserves required for operational purposes are minimal; current reserves level of £5,000 is in line with the reserves required by Village Aid.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 8 October 1997 and registered as a charity on 9 January 1988. The organisation previously operated as an unincorporated charity.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity.

Board of Trustees

Members of the Board of trustees, who are elected for three years, and then retire or stand for re-election for a further term, are elected annually by the members at the Annual General Meeting. The board is responsible as a body for governance, policy making, monitoring of implementation, general conduct and overall performance and for reporting to the membership at the Annual General Meetings. The Board delegates day to day management and administration of the charity to its employees. The number of Trustees shall be not less than two but (unless otherwise determined by ordinary resolution); trustees shall not be subject to any maximum.

New trustees are recruited through public media and through the membership publications, with the aim of achieving a representative balance of people, not only with varying necessary skills and experience, but also comprising a mix of gender, ethnic background, and age-group.

Village Aid Ltd

Trustees' annual report

For the year ended 31 March 2017

Trustees meet a minimum of four times a year and hold additional strategic planning days with staff to establish a corporate plan and budget for the following year.

One Village Aid trustee (currently the chair) is also a United Purpose board member.

Staff and Office Costs undertaken by United Purpose

Village Aid Ltd's staffing levels are maintained at a low level so as to maximise charitable expenditure in Africa.

Since Village Aid became a wholly owned subsidiary of United Purpose, United Purpose have undertaken all costs, including staffing costs, on behalf of Village Aid. Village Aid does not employ any staff and as at 31 March 2017, two United Purpose employees were employed to focus on Village Aid fundraising and charitable activities. United Purpose covered staff costs and office costs totalling £68,598 in the 2016/17 financial year (£88,659 – FY 2015/16).

Volunteers play an important role in Village Aid, assisting staff, undertaking programme monitoring and evaluation, promoting the work and supporting activities and events of the charity when and wherever possible in the UK. These include a local supporter base (20 volunteers) plus students from Sheffield University who made valuable contributions while acquiring work experience.

Related parties and relationships with other organisations

During the year under review, the charitable company received £68,598 (£88,659 – FY2015/16) from United Purpose, the parent company charity. In addition, a total of £109,393 was payable to United Purpose in the year in respect of funding for various projects.

Statement of responsibilities of the trustees

The trustees (who are also directors of Village Aid for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 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 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2017 was 69 (2016: 70). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Village Aid Ltd

Trustees' annual report

For the year ended 31 March 2017

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 14th September 2017 and signed on their behalf by

Alan Davies
Chair of Trustees

Independent auditor's report

To the members of

Village Aid Ltd

Independent auditor's report to the members of Village Aid

Opinion

We have audited the financial statements of Village Aid (the 'charitable company') for the year ended 31 March 2017 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Independent auditor's report

To the members of

Village Aid Ltd

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report

To the members of

Village Aid Ltd

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

Independent auditor's report

To the members of

Village Aid Ltd

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Jonathan Orchard (Senior statutory auditor)

14 November 2017

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Village Aid Ltd

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2017

	Note	Unrestricted £	Restricted £	2017 Total £	Unrestricted £	Restricted £	2016 Total £
Income from:							
Donations and Legacies	2	109,075		109,075	114,672	52,400	167,072
Charitable Activities		-	11,893	11,893	-	-	-
Investments		38	-	38	92	-	92
Total income		109,113	11,893	121,006	114,764	52,400	167,164
Expenditure on:							
Raising funds	3	-	-	-	2,008	-	2,008
Charitable activities	3	98,164	11,893	110,057	150,042	75,429	225,471
Total expenditure		98,164	11,893	110,057	152,050	75,429	227,479
Net income / (expenditure) and movement in funds for the year	11	10,949	-	10,949	(37,286)	(23,029)	(60,315)
Reconciliation of funds:							
Total funds brought forward		5,750	-	5,750	43,036	23,029	66,065
Total funds carried forward		16,699	-	16,699	5,750	-	5,750

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 11 to the financial statements.

Village Aid Ltd

Balance sheet

For the year ended 31 March 2017

	Note	£	2017 £	£	2016 £
Current assets:					
Debtors	9	8,694		3,027	
Cash at bank and in hand		10,505		10,852	
			<u>19,199</u>	<u>13,879</u>	
Liabilities:					
Creditors: amounts falling due within one year	10	2,500		(8,129)	
			<u>16,699</u>	<u>5,750</u>	
Net current assets / (liabilities)					
			<u>16,699</u>	<u>5,750</u>	
Total assets less current liabilities					
			<u>16,699</u>	<u>5,750</u>	
Total net assets / (liabilities)					
			<u>16,699</u>	<u>5,750</u>	
The funds of the charity:					
Unrestricted income funds:					
General funds	11	16,699		5,750	
Total unrestricted funds			<u>16,699</u>	<u>5,750</u>	
Total charity funds					
			<u>16,699</u>	<u>5,750</u>	

Approved by the trustees on 14 September 2017 and signed on their behalf by

Alan Davies
Chair of Trustees

Village Aid Ltd

Statement of cash flows

For the year ended 31 March 2017

	Note	2017		2016	
		£	£	£	£
Cash flows from operating activities					
Net cash (used in) operating activities			(385)		(56,962)
Cash flows from investing activities:					
Dividends, interest and rents from investments		<u>38</u>		<u>92</u>	
Net cash provided by / (used in) investing activities			<u>38</u>		<u>92</u>
Change in cash and cash equivalents in the year			(347)		(56,870)
Cash and cash equivalents at the beginning of the year			<u>10,852</u>		<u>67,722</u>
Cash and cash equivalents at the end of the year			<u>10,505</u>		<u>10,852</u>

Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2017	2016
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	10,950	(60,315)
Dividends, interest and rent from investments	(38)	(92)
Loss on the disposal of fixed assets	-	2
(Increase)/decrease in debtors	(5,667)	19,374
Increase/(decrease) in creditors	<u>(5,629)</u>	<u>(15,931)</u>
Net cash (used in) operating activities	<u>(385)</u>	<u>(56,962)</u>

Notes to the financial statements

For the year ended 31 March 2017

1 Accounting policies

a) Statutory information

Village Aid Limited is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is Aldern House, Baslow Road, Bakewell DE45 1AE.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 April 2015.

d) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

e) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

g) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

Notes to the financial statements

For the year ended 31 March 2017

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

h) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

i) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

j) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of supporting United Purpose programmes in Africa for public benefit undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs have all been reallocated to charitable activities.

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.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the financial statements

For the year ended 31 March 2017

2 Income from donations and legacies

	Unrestricted	Restricted	2017	2016
	£	£	Total	Total
			£	£
Donations				
Regular givers, and gift aid)	67,354	-	67,354	72,711
One-off donations	35,085	-	35,085	62,954
Legacies	6,636	-	6,636	31,407
Interest in UK short term deposits	38	-	38	92
Project grants – Cameroon	-	11,893	11,893	-
	109,113	11,893	121,006	167,164

Notes to the financial statements

For the year ended 31 March 2017

3 Analysis of expenditure

	Raising funds	Charitable activities	Governance costs	Support costs	2017 Total	2016 Total
	£	£	£	£	£	£
Staff costs (Note 5)	-	-	-	-	-	2,704
Grant support	-	109,163	-	-	109,163	215,069
Printing and publicity	-	-	-	-	-	804
Telephone and IT	-	572	-	-	572	2,212
Premises costs	-	(2,428)	-	-	(2,428)	2,557
UK travel	-	-	-	-	-	77
Audit fee	-	-	2,500	-	2,500	3,420
Other professional charges	-	-	-	-	-	35
Donor costs	-	-	-	-	-	353
Bank charges	-	250	-	-	250	38
Subscriptions and sundry expenses	-	-	-	-	-	208
Loss on disposal of fixed assets	-	-	-	-	-	2
	-	107,557	2,500	-	110,057	227,479
Support costs	-	-	-	-	-	-
Governance costs	-	2,500	(2,500)	-	-	-
Total expenditure 2017	-	110,057	-	-	110,057	227,479
Total expenditure 2016	2,008	219,497	-	5,974	227,479	

In 2016 Village Aid received a rates rebate relating to the previous financial year. Normally, this would be absorbed by the current year's expenditure; however, due to the agreement in place between United Purpose and Village Aid whereby United Purpose undertakes all costs on behalf of Village Aid, there is no expenditure shown by Village Aid in the current financial year. As a consequence, the rates rebate is shown here as a negative expenditure.

Notes to the financial statements

For the year ended 31 March 2017

4 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2017	2016
	£	£
Loss or profit on disposal of fixed assets	-	2
Operating lease rentals:		
Property	-	-
Other	-	-
Auditors' remuneration (excluding VAT):		
Audit	<u>2,500</u>	<u>3,420</u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

All staff costs are covered by the charity's parent company, United Purpose. Trustees received no remuneration or reimbursed expenses in the year (2016: nil)

The Company operates a defined contribution pension scheme for its former employees, the assets of which are held in separate trustee administered funds.

Staff costs were as follows:

	2017	2016
	£	£
Employer's contribution to defined contribution pension schemes	-	2,704

All other staff costs are borne by Village Aid's parent company, United Purpose.

No employee earned more than £60,000 during the year (2016: nil).

6 Related party transactions

Village Aid is a wholly owned subsidiary of United Purpose.

During the year under review, the charitable company received £68,598 (£88,659 – 2016) from United Purpose, the parent company charity, in respect of its contribution towards the costs of staff employment and office costs.

In addition a total of £110,057 of grants were paid to United Purpose in respect of funding for various projects.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

7 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2017

8 Debtors	2017 £	2016 £
Tax recoverable	7,095	2,839
Other debtors and prepayments		188
Accrued income	1,600	-
	<u>8,694</u>	<u>3,027</u>

9 Creditors: amounts falling due within one year	2017 £	2016 £
Trade creditors	-	233
Taxation and social security	-	-
Other creditors and accruals	2,500	7,896
Deferred income	-	-
	<u>2,500</u>	<u>8,129</u>

10a Analysis of net assets between funds (current year)

	General unrestricted £	Total funds £
Net current assets	<u>16,699</u>	<u>16,699</u>
Net assets at 31 March 2017	<u>16,699</u>	<u>16,699</u>

10b

	General unrestricted £	Total funds £
Net current assets	<u>5,750</u>	<u>5,750</u>
Net assets at 31 March 2016	<u>5,750</u>	<u>5,750</u>

Village Aid Ltd

Notes to the financial statements

For the year ended 31 March 2017

11a

	At 1 April 2016 £	Income & gains £	Expenditure & losses £	At 31 March 2017 £
Restricted funds:				
Cameroon	-	11,893	(11,893)	-
	_____	_____	_____	_____
Total restricted funds	-	11,893	(11,893)	-
	=====	=====	=====	=====
Unrestricted general funds	5,750	109,113	(98,164)	16,699
	_____	_____	_____	_____
Total funds	5,750	121,006	(110,057)	16,699
	=====	=====	=====	=====

Village Aid Ltd

Notes to the financial statements

For the year ended 31 March 2017

11b

	At 1 April 2015 £	Income & gains £	Expenditure & losses £	At 31 March 2016 £
Restricted funds:				
Charles Hayward Foundation	-	16,000	(16,000)	-
GOAC Water Projects	-	27,948	(27,948)	-
Ghana – YOWE Beekeeping, Ghana	500	400	(900)	-
The Gambia – Wells (Over Haddon)	200	-	(200)	-
Derby University – Well, The Gambia	351	-	(351)	-
Water Catchment Areas – Cameroon	5,970	5,807	(11,777)	-
E. Shepley – Cameroon	7,234	-	(7,234)	-
Evans Cornish Foundation Cameroon	3,732	-	(3,732)	-
Sagba Schools Buildings	-	2,000	(2,000)	-
Masallay	5,042	245	(5,287)	-
Total restricted funds	23,029	52,400	(75,429)	-
Total unrestricted/ general funds	43,036	114,764	(152,050)	5,750
Total funds	66,065	167,164	(227,479)	5,750

Notes to the financial statements

For the year ended 31 March 2017

Purposes of restricted funds

Charles Hayward Foundation – support for a water catchment project for the community of Baba, Cameroon

GOAC Water Projects – support for 4 water catchment projects in the communities of Binshua, Achain, Njah–Etu and Konchep

Ghana – YOWE Beekeeping, Ghana – beekeeping projects supported by the Beatrice Laing Foundation, Kings Leaburn WI and Chelmorton Church

The Gambia – Wells (Over Haddon) – Construction of wells in The Gambia funded by Over Haddon Well Dressings

Derby University – Well, The Gambia – Construction of wells in The Gambia funded by Derby University

Water Catchment Areas – Cameroon – provision of water catchment areas as part of a larger project in Cameroon. Fund provided by the Allan and Nesta Ferguson Trust, The Eleanor Rathbone Trust and Village Aid Ltd

E. Shepley – Cameroon – funds to support development to the International Communities Programme

Evans Cornish Foundation Cameroon – funds to support water catchment development in Cameroon

Sagba Schools Buildings – funding a school construction project in Cameroon

Masallay – funds to support the Masallay Academy in Sierra Leone

13 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

14 Members' guarantees

Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up while he/she is a member or within one year after he/she ceases to be a member for payment of the debts and liabilities of the company contracted before he/she ceases to be a member and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding £10.

15 Ultimate controlling party

Village Aid is a wholly owned subsidiary of United Purpose, company registration number 01278887, a company registered in England and Wales and a company limited by guarantee.