

Abaana Ministries

Trustees' Report and Financial Statements

31 December 2023



Abaana Ministries

Company No: NI 33513

Trustees

Colin Caughey (resigned 11 Sep-23)
Lynne Gibson (appointed 5 Jul-23)
Noel Gordon
David Manning
Archie McAvoy MBE
Dr Gillian McBride
Martin Pitt
Sharon Slack
Jonathan Young

Chair

Dr Gillian McBride

Secretary

Scott Baxter

CEO

Scott Baxter

Auditors

AAB Group Accountants Limited
1-3 Arthur Street Belfast
BT1 4GA

Bankers

First Trust Bank
85 Main Street
Bangor BT20 4BA

Registered Office

78 High Street
Bangor
Co Down BT20 5AZ

HMRC Charity Registration Number

XR 23866

Charity Commission for Northern Ireland Registration Number

102174

Trustees' report

For year ended 31 December 2023

The Trustees present their report and the audited financial statements for the year ending 31 December 2023 which have also been prepared to meet the requirements for a directors' report and accounts for Companies Act 2006 purposes.

The financial statements comply with charity and company law, the Memorandum and Articles of Association 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) (effective 1 January 2019).

Chair's report

2023 provided evidence that the activities of Abanna were returning to pre-covid levels. We were encouraged to see three teams from Northern Ireland travelling to Uganda to support and engage in the work. Furthermore, the planning for The Abanna Children's choir resumed in anticipation of the 2024 tour, which is the first since 2019. This is a welcomed return.

During the year we saw the completion of various construction projects in Uganda. In December we celebrated with the local community when we officially opened the new classroom block at St Mary's. New Life Homes continues to play a vital role in providing Street children with a stable background and an opportunity to rebuild their lives. In November we increased the enrolment to the maximum allowable.

Plans to re-locate to new premises in Main Street, Bangor have slowed in the later part of the year. However, the momentum and desire to relocate remains and the Board continues to support the clear need for the move.

As a Board, we continue to recognise the enormous contribution to the work of Abaana made by staff, volunteers, and supporters across the UK and wider afield, as together we seek to bring hope to children living in poverty in Uganda.

Purposes and activities

Abaana Ministries' principal activity, as set out in The Memorandum and Articles of Association is the relief of poverty in the African continent, and the relief of those in need, by reason of youth, age, ill health, disability, financial hardship or other disadvantage and to educate the general public regarding poverty and the spiritual needs of these people and the advancement of the Christian faith. This is primarily achieved through building schools, sponsoring children to enable them to receive an education, providing food and basic medical care to children living on the streets, rescuing children from the streets, providing clean water supplies by building wells, installing pumps and supporting farming and microfinance projects in partner communities. The focus of our work has continued to be in the country of Uganda in the current year.

The overall vision of Abaana is to see the children of Africa have their needs met, their rights upheld and their hopes fulfilled.

In shaping the objectives for the year and planning our activities the Trustees have considered a number of key components, namely the financial resources available, prioritised projects in Uganda and the on-going needs of existing key programmes. The work of the charity is undertaken in partnership with locally based charitable organisations in the country of operation. In the past year activities have been undertaken in partnership with Abaana Ministries Uganda Ltd, a separate legal entity registered and operating in Uganda with its own governance, management and staffing arrangements although we provide support and advice through the provision of an independent Board member.

The strategies employed to achieve the charity's aims and objectives include regular production of management accounting information, oversight by Trustees of key deliverables and progress made, in raising funds for activities, overseeing building and other work on our projects, a detailed Grant Agreement process for funded programmes with specified outcomes and post-project delivery review.

Trustees' report

For year ended 31 December 2023

Role of volunteers

The financial statements set out the results for the year but do not reflect the very considerable and vital support given to Abaana by volunteers. Locally, volunteers help to run our charity shop, fundraise and prepare mail outs. Overseas, they make up the teams which travel to Uganda and carry out building and other work across our projects.

Achievements and performance

Review of activities:

Raising of support

The planned arrival of the New Life Choir in 2024 has focussed efforts on contacting potential venues to host the choir in 2024. This has led to a sizeable number of fresh contacts that will facilitate the growth of the Abaana support base in 2024. Furthermore, within the year we received funding from the Government of Guernsey to complete a major construction project. We recognise the opportunities to develop such funding streams in the future. We also recognise that social media continues to play a key role in both communicating with our supporters and raising funds. This was highlighted with our successful Christmas Gift Fundraising communication.

Support of Schools

Over 7,000 children attend 17 Abaana-supported primary schools. The main source of income for these schools comes from sponsored kids, with an estimated three children paying lower subsidised rates for every one child sponsored at the school. Sponsorship income provides an assured funding stream for the schools to pay teachers and run the school.

Child Sponsorship

During 2023, 1,900 children received direct support under the Abaana Child Sponsorship Scheme. The children normally attend the 17 Abaana primary schools or various other secondary or vocational schools. Sponsorship, in addition to paying for a child's school fees, provides exercise books and stationery, as well as both a school uniform and basic medical care, when required.

Christmas Gift Scheme

The annual Child Sponsorship Christmas Gift Appeal raised a record £49,049 which enabled each child to receive a Christmas gift. Essential food items such as rice, beans and cooking oil were supplemented with personal gifts and Christmas treats. Mosquito nets, bedding and towels were also included in many of the Gift packs. The continued generosity of our Child sponsors and donors enables not only the children but their families to enjoy the opportunity of being able to cook Christmas meals for their families and friends.

New Life Homes Project and Street Reach

In the final months of 2023 New Life homes undertook a major push to lift the number of boys to the maximum capacity of 28. The new boys have settled into the stable and supportive environment that New Life Homes offers. We continue to work with outside partners and government agencies to identify children who can benefit from a life away from the streets. Our aim is always to resettle the boys back into a supportive family environment where their needs are best met. Providing the opportunity of education, meeting basic medical needs and the provision of counselling allow the boys the chance to make a new start,

New Life Choir

During 2023 plans for New Life Choir 3 have been in the making, their arrival due in the UK sometime in January 2024. It is anticipated that twenty children along with three chaperones will travel from Uganda. The selection and training sessions have been ongoing, with a huge amount of work being channelled into making the choir a success. The co-ordination of the music, videos and overall content of the choir was completed with considerable investment in time and energy from a number of key people.

Trustees' report

For year ended 31 December 2023

Furthermore, the team in Bangor have been busy arranging the 65-tour schedule for the UK and Ireland and ensuring that host families are in place, along with finding chaperones.

The presence of the Abaana shop continues to raise awareness of Abaana and provides support and sustainable income for the work. We look forward to the move to new and bigger premises in 2024.

Projects

A range of projects and initiatives were completed across our various school sites. These included:

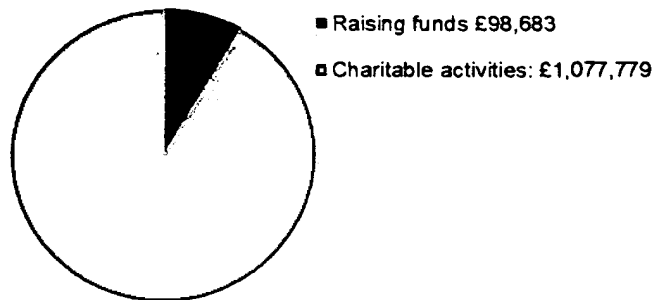
- Tekoo school – construction of Latrines and Teachers accommodation block.
- Northern Schools Farming project – the project allowed communities to plant, harvest and mill local crops that provided children at 4 schools with one free meal each day.
- Zuri Girl – having started the pilot project across 3 schools in 2022, provision of education and practical training in making sanitary products was increased to 5 Abaana-supported primary schools.
- St. Mary's school – construction of a 5-stance latrine block, installing water harvesting and painting of main school.
- Rainey Summit - construction of 3 classroom nursery block.

Financial review

Income and expenditure

Income for the year increased to £1,173,964 (2022: £993,023). Total expenditure increased to £1,176,462 (2022: £947,976) and gross expenditure on Charitable Activities increased to £1,077,779 (2022: £859,162). The amount of money spent on charitable activities represented 91.6% (2022: 90.6%) of total expenditure.

Expenditure £1,176,462



Expenditure on charitable activities includes governance costs of £7,920 (2022: £8,170).

Overall, there was a net reduction in funds of £2,498 for the year (2022: net increase in funds of £45,047). All restricted funds held by Abaana are spent on charitable activities to benefit children in Africa and where the funding is collected over more than one accounting year; individual funds will often show a surplus at the year end and the subsequent year show a deficit. The net position for each specific fund across multiple accounting periods will be zero. (i.e., any deficit is met from accumulated fund balances).

Detailed day to day management of the charity endeavours to keep the costs as low as possible without compromising the output and quality of the activities.

Investment powers and policy

The Trustees, having regard to the liquidity requirements of the charity have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit, which matches or

Trustees' report

For year ended 31 December 2023

exceeds inflation as measured by the retail price index. Steps were also taken to maximise the protection of funds as covered by the Financial Services Compensation Scheme (FSCS).

Reserves

The Board of Trustees reviews the reserves annually. There are two categories of reserves: restricted and unrestricted funds.

Restricted funds are funds subject to specific conditions imposed by donors. At the end of the year the total restricted funds were £602,529 (2022: £613,468).

Unrestricted funds at year end were £600,159 (2022: £591,718). It is the policy of the Board to ensure that the Charity has sufficient funds to cope with unexpected events. In particular, it aims to have an earmarked amount in designated funds to cover 6 months (2022: 6 months) running costs. In 2023 this is £130,000 (2022: £130,000).

There is also a designated property fund of £105,000 (2022: £105,000) representing the net book value of land and building (funds which are not readily available as cash), and a designated infrastructure development fund of £200,000 (2022: £175,000) representing monies earmarked for premises and software development.

In addition, the COVID-19 pandemic of 2020/21 has underlined the need to be able to respond to unprecedented crises and the Board believe the current level of unrestricted general funds is both prudent and reasonable.

Plans for future periods

In 2024 the third Abaana New Life Choir will be arriving from Uganda and will be the first choir since 2019. Plans are at an advanced stage for a 65-venue tour of Ireland and GB. The Choir represents a significant investment in time and resources and is key to raising awareness and funding for Abaana's activities in Uganda.

New Premises

During 2022, Abaana commenced negotiations to purchase new office and shop premises on Main Street, Bangor. Ongoing delays throughout 2023 has pushed the move into 2024: The revised plan is to re-locate to the new premises in the second half of 2024. These premises will significantly enhance potential shop footfall and facilitate the delivery of the suite of services Abaana offers. Relevant fund balances continue to be maintained at the required levels to facilitate these plans.

Organisational development

During 2023 further work was undertaken in reviewing our current Omega system and the need to find a replacement Customer Replacement Management (CRM) system. A part time Finance Manager was appointed within the year. Furthermore, relevant fund balances are being maintained to deliver on these plans.

Going Concern

The Trustees have a reasonable expectation that the Organisation has adequate resources to continue for the foreseeable future as a going concern.

Trustees

The Trustees who served during the year and since the year end are listed on page 1.

Structure, Governance and Management

Governing Document

Abaana Ministries is a company limited by guarantee governed by its Memorandum and Articles of Association dated 16 January 1998 and updated on 17 June 2015.

Trustees' report

For year ended 31 December 2023

Appointment of Trustees

Abaana has a policy of developing its Board membership to ensure a wide range of professional expertise. Where potential candidates for Board membership are identified, informal discussions are held with the Chairperson, followed by attendance in an observer capacity at several Board meetings. If appointment is subsequently recommended by the existing Trustees, the candidate is formally invited to join the Board.

Trustee induction and training

Through membership of the Board, Trustees have oversight and develop their knowledge of all of Abaana's key activities. Trustees also meet several times a year with Abaana staff. Training for Trustees is sourced as required.

Organisation

The Board of Trustees is continuing to enhance its ways of working, to best fit the charity as it continues to operate in a challenging economy. The overall range of key skills available to the Charity through its Trustees will help to further develop the overall governance and management of the charity.

Relationship with other charities

A separate company exists in Uganda – 'Abaana Ministries, Uganda'. This company, registered in Uganda is governed by a Board of Directors. The Board is made up of local professionals. Scott Baxter (Abaana Ministries Northern Ireland CEO and Company Secretary) also sits on the Board as an independent director. Abaana Ministries Uganda receives funding from Abaana Ministries, Northern Ireland and carries out the various project activities and expenditure in line with formal grant agreements authorised by Abaana Ministries, Northern Ireland to support its charitable objectives.

The Board of Directors and management of Abaana Ministries, Uganda continue to report on the outcomes of supported projects regularly to ensure grant funding is being properly spent in line with the funding agreements and in accordance with our charitable objectives. The CEO aims to visit the Ugandan operations at least twice each year, to review the physical projects which have been funded by Northern Ireland, as well as meeting with the Board of Directors of Abaana Uganda to monitor and review agreed local activity. In accordance with good governance arrangements a new Memorandum of Understanding between Abaana Ministries UK and Abaana Ministries Uganda was signed in 2021 which sets out the operation of the partnership and the responsibilities of each in accordance with local legislative requirements.

Abaana Ministries also has a close working relationship with Fields of Life, a charity which shares Abaana Ministries' passion for Africa – some of Abaana Ministries' earliest child sponsorships continue to be administered by Fields of Life. The charity is also seeking to agree a Memorandum of Understanding with this partner organisation although this work is still at the preliminary stage.

Pay policy for senior staff

The Board of Directors, who are the Charity's Trustees, have overall oversight of the activities of the charity. This includes responsibility for considering, and where relevant, approving staff terms and conditions of employment. Senior staff comprises the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All staff posts are based on NJC pay scales. All directors give of their time freely and no director received remuneration during the year.

Details of directors' expenses and related party transactions are disclosed in note 9 to the accounts.

Risk Management

The Board of Trustees has overall responsibility for Abaana Ministries' system of internal control. Such a system can provide only reasonable and not absolute assurance against errors or fraud.

Trustees' report

For year ended 31 December 2023

The key controls used by the charity include:

- Formal agendas for Board meetings and Minutes taken;
- Regular Board meetings;
- Strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels;
- Formal grant agreements.

Abaana maintains a detailed Risk Register, which outlines the key risks to the organisation and specific actions identified to mitigate those risks. The risk register is subject to annual review by the Board of Trustees and more frequently, if required. Key risks identified (together with mitigation measures) include:

- Reputational damage due to project failure (full technical/financial assessments pre-project; full post-completion review);
- Loss of income due to economic climate (focus on key fundraising activities);
- Interruption of activities (data backed up using Cloud technology; adequate insurance provision; building security);
- Death/serious injury of team member in Africa (risk assessments for teams; training of staff, team leaders/members; adequate insurance provision).

Public benefit reporting

The Trustees confirm that they have had due regard to the Charity Commission for Northern Ireland's guidance on public benefit reporting on the Charity's benefits and achievements.

Trustees' responsibilities in relation to the financial statements

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

Company and charity law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of its financial position at the end of that period. In preparing these financial statements, the Trustees are required to:

- (1) select suitable accounting policies and apply them consistently;
- (2) make judgments and estimates that are reasonable and prudent;
- (3) state whether applicable accounting standards have been followed subject to any departures disclosed and explained in the financial statements; and
- (4) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which 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 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.

Trustees' report

For year ended 31 December 2023

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

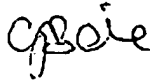
- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the organisation's auditor is unaware; and
- the Trustees, having made enquiries of fellow directors and the organisation's auditor that they ought to have individually made, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

AAB Group Accountants Limited have expressed their willingness to continue in office as auditors.

Approval

This report was approved by the Trustees and signed on their behalf.



Dr Gillian McBride
Chairperson

Date: 9/9/24

Independent auditors' report

To the members of Abaana Ministries
For the year ended 31 December 2023

Opinion

We have audited the accounts of Abaana Ministries (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the cash flow statement and the notes to the accounts, 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 accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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; and
- 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Independent auditors' report

To the members of Abaana Ministries
For the year ended 31 December 2023

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees 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 Trustees and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees 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 accounts 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities in relation to the financial statements, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, industry research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company – Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Independent auditors' report

To the members of Abaana Ministries
For the year ended 31 December 2023

Auditor's responsibilities for the audit of the financial statements (continued)

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Teresa Campbell

Teresa Campbell (Senior Statutory Auditor)

For and on behalf of
AAB Group Accountants Limited
Chartered Accountants and Statutory Auditor
1-3 Arthur Street
Belfast
BT1 4GA

Date: *09/09/2024*

Statement of financial activities
(incorporating an income and expenditure account)
for the year ended 31 December 2023

		<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>
		<i>Funds</i>	<i>Funds</i>	<i>Funds</i>	<i>Funds</i>	<i>Funds</i>	<i>Funds</i>
		2023	2023	2023	2022	2022	2022
	Note	£	£	£	£	£	£
Income:							
Donations and legacies	4	251,901	827,879	1,079,780	238,197	724,905	963,102
<i>Income from other trading activities:</i>							
Shop Income		17,248	-	17,248	16,297	-	16,297
Investment income	5	22,987	-	22,987	8,024	-	8,024
Other income		-	53,949	53,949	600	5,000	5,600
Total income		<u>292,136</u>	<u>881,828</u>	<u>1,173,964</u>	<u>263,118</u>	<u>729,905</u>	<u>993,023</u>
Expenditure:							
Costs of raising funds	6	95,904	2,779	98,683	85,674	3,140	88,814
Expenditure on charitable activities	7	164,568	913,211	1,077,779	131,605	727,557	859,162
Total expenditure		<u>260,472</u>	<u>915,990</u>	<u>1,176,462</u>	<u>217,279</u>	<u>730,697</u>	<u>947,976</u>
Net income (expenditure) for the year before transfers		31,664	(34,162)	(2,498)	45,839	(792)	45,047
Transfers between funds	15	(23,223)	23,223	-	-	-	-
Net movement in funds		<u>8,441</u>	<u>(10,939)</u>	<u>(2,498)</u>	<u>45,839</u>	<u>(792)</u>	<u>45,047</u>
Reconciliation of funds							
Total funds brought forward		591,718	613,468	1,205,186	545,879	614,260	1,160,139
Total funds carried forward	15	<u>600,159</u>	<u>602,529</u>	<u>1,202,688</u>	<u>591,718</u>	<u>613,468</u>	<u>1,205,186</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure is derived from continuing activities

The notes on pages 15 to 22 form an integral part of these financial statements.

Balance sheet

at 31 December 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	12	115,866	102,600
Current assets			
Debtors	13	208,516	144,601
Investments and cash at bank and in hand		989,877	1,059,945
		<u>1,198,393</u>	<u>1,204,546</u>
Creditors: amounts falling due within one year	14	<u>(111,571)</u>	<u>(101,960)</u>
Net current assets		<u>1,086,822</u>	<u>1,102,586</u>
Total assets less current liabilities		<u>1,202,688</u>	<u>1,205,186</u>
Net assets		<u><u>1,202,688</u></u>	<u><u>1,205,186</u></u>
The funds of the charity:			
Unrestricted funds	15	600,159	591,718
Restricted funds	15	602,529	613,468
Total charity funds		<u><u>1,202,688</u></u>	<u><u>1,205,186</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 15 to 22 form an integral part of these financial statements.

The financial statements were approved by the Board and signed on its behalf:



Dr Gillian McBride
Director
on behalf of the Trustees
Company No: NI 33513

Date: 9/9/24

Statement of cashflows

for the year ended 31 December 2023

	Notes	2023 £	2022 £
Cash received in operating activities	18	(77,055)	33,237
Cash flows from investing activities			
Interest received		22,987	8,024
Payments to acquire tangible fixed assets		(16,000)	-
Net cash flow from investing activities		<u>6,987</u>	<u>8,024</u>
Net cash flow from financing activities		-	-
(Decrease) / increase in cash and cash equivalents in the year		(70,068)	41,261
Cash and cash equivalents at beginning of year		<u>1,059,945</u>	<u>1,018,684</u>
Cash and cash equivalents at end of year		<u><u>989,877</u></u>	<u><u>1,059,945</u></u>

Notes to the financial statements

For the year ended 31 December 2023

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(i) Basis of Accounting

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity meets the definition of a public benefit entity under FRS 102.

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

(ii) Preparation of the accounts on the going concern basis

The trustees have assessed the reserves and the post year end performance of the charity and are content that it continues to be a going concern.

(iii) Income

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- Any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- There is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.

(iv) Donated goods and services

Clothing and other items donated for resale through the charity's shop or for distribution as part of a charitable activity are recognised as income when the charity has control over the item, any conditions associated with the donated item 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), general volunteer time is not recognised. Refer to the Trustees' annual report for more information about their contribution.

(v) 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.

(vi) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the objectives of the charity.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

General funds may be transferred to designated funds where Trustees wish to use these funds for a specific purpose. Such funds may be transferred back to general funds once the criteria for the designation have been met or are no longer applicable.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of the appeal.

Notes to the financial statements

For the year ended 31 December 2023

(vii) 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 comprise the costs of operating the charity's shop, promotional and event costs along with the associated support costs;
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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

(viii) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

(ix) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Land and buildings	2% straight line
Equipment, furniture and fittings	25% straight line
Motor Vehicles	25% straight line

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

(x) Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid after taking account of any discounts due.

(xi) 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.

(xii) Creditors

Creditors 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.

(xiii) Financial instruments

The charity only has financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are normally initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

(xiv) Pensions

The company enrolls staff into a defined contribution pension scheme (National Employment Savings Trust). Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Notes to the financial statements

For the year ended 31 December 2023

(xv) Taxation

The company is a registered charity and the charitable tax exemptions are therefore being claimed to the extent that income and/or gains are applicable and applied to charitable purposes only. These exemptions will remain in place as long as income and expenditure are applied to charitable purposes only.

(xvi) Critical accounting estimates and judgements

In the application of the company'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.

The trustees consider that there are no material areas of judgement or estimation uncertainty.

2. Status

The company has obtained charitable status with HMRC, reference number XR 23866 and is limited by guarantee not having a share capital. The company is also registered with the Charity Commission for Northern Ireland, reference number 102174.

3. Net income (expenditure) for the year

	2023	2022
	£	£
<i>This is stated after charging:</i>		
Depreciation	2,734	3,560
Auditors' remuneration	3,432	3,780
<i>and after crediting:</i>		
Interest receivable	22,987	8,024

4. Income from donations and legacies

	Unrestricted	Restricted	Total	Total
	£	£	2023	2022
			£	£
Child sponsorship	49,595	587,596	637,191	626,652
Africa teams	12,000	85,086	97,086	14,000
Africa team projects	3,707	45,240	48,947	2,000
Choir	948	9,814	10,762	266
Groups and corporate funding	5,135	4,589	9,724	20,059
Donations and appeals	176,327	89,895	266,222	296,094
Other fundraising events	2,773	5,353	8,126	2,214
Other income	1,416	306	1,722	1,817
Total income from donations and legacies	251,901	827,879	1,079,780	963,102

Of the £963,102 received by the charity in 2022, £238,197 was unrestricted funds and £724,905 was restricted funds.

Notes to the financial statements

For the year ended 31 December 2023

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not measured in the accounts.

5. Investment income

All of the charity's investment income arises from money held in interest bearing deposit accounts.

6. Costs of raising funds

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Advertising and promotional material		4,242	763	5,005	1,623
Events		-	-	-	-
Other fundraising costs		2,540	-	2,540	1,343
Shop costs		18,923	-	18,923	17,298
Support costs allocated to shop	8	9,200	695	9,895	10,052
Support costs allocated to raising funds	8	60,999	1,321	62,320	58,498
Total costs of raising funds		95,904	2,779	98,683	88,814

Of the £88,814 paid by the charity in 2022, £85,674 was unrestricted funds and £3,140 was restricted funds.

7. Analysis of expenditure on charitable activities

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Child sponsorship		-	535,992	535,992	487,598
Educational projects		-	131,942	131,942	147,909
Africa teams		1,099	95,290	96,389	808
Children at risk		-	72,561	72,561	70,143
Medical projects		-	330	330	1,090
Choir		-	72,696	72,696	-
Other projects		250	1,260	1,510	18,398
Support costs allocated to activities	8	163,219	3,140	166,359	133,216
Total expenditure on charitable activities		164,568	913,211	1,077,779	859,162

Of the £859,162 paid by the charity in 2022, £131,605 was unrestricted funds and £727,557 was restricted funds.

8. Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the costs of raising funds and charitable activities undertaken (see notes 6 and 7) in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

Notes to the financial statements

For the year ended 31 December 2023

	Basis of allocation	Shop £	Raising Funds £	Charitable Activities £	Total 2023 £	Total 2022 £
Premises costs	Staff time	272	517	1,218	2,007	2,889
Staff costs	Staff cost	3,485	50,132	129,702	183,319	145,517
General office costs	Staff time	6,138	11,671	27,519	45,328	45,190
Audit fees	Governance	-	-	3,432	3,432	3,499
Accountancy fees	Governance	-	-	4,320	4,320	4,320
Legal and other professional fees	Governance	-	-	168	168	351
Total		9,895	62,320	166,359	238,574	201,766

9. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

	2023 £	2022 £
Salary costs	180,112	145,175
Social security costs	9,652	7,123
Pension costs	8,157	6,920
	<u>197,921</u>	<u>159,218</u>

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity Trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil) neither were they reimbursed expenses during the year (2022: £nil). No charity Trustee received payment for professional or other services supplied to the charity (2022: £nil).

The key management personnel of the charity comprise the Trustees, the Chair, the CEO and the Assistant Directors. The total employee benefits of the key management personnel of the charity were £74,037 (2022: £70,343). No employee received emoluments exceeding £60,000.

10. Staff numbers

	2023 Number	2022 Number
Average monthly number of full-time equivalents employed by the company during the year:	<u>7</u>	<u>6</u>

11. Related party transactions

None of the Trustees receive remuneration from the charity. A company of which one of the Trustees is a Director received £9,677 (2022: £8,994) for the supply of mailing and postage services to Abaana during the year. No other Trustee received any other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with organisations the charity works with must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

A separate company exists in Uganda — 'Abaana Ministries, Uganda'. This company, registered in Uganda is governed by a Committee of Management consisting of local professionals. Scott Baxter (Abaana Ministries Northern Ireland CEO and Company Secretary) also sits on the Committee as the 'International Director'.

Notes to the financial statements

For the year ended 31 December 2023

Abaana Ministries Uganda receives funding from Abaana Ministries, Northern Ireland and carries out the various projects' activities and expenditure in line with formal agreements authorised by Scott Baxter as the CEO of Abaana Ministries, Northern Ireland. Funding for projects is forwarded to Abaana Uganda throughout the financial year. Total funding transferred to Abaana Ministries Uganda was £855,000 (2022: £735,950).

Abaana Ministries also has a close relationship with Fields of Life, a charity which shares Abaana Ministries' passion for Africa — some of Abaana Ministries' earliest child sponsorships continue to be administered by Fields of Life. Payments to Fields of Life for these sponsorships amounted to £3,420 (2022: £1,852).

12. Tangible fixed assets

	<i>Land and Buildings</i> £	<i>Equipment Furniture and Fittings</i> £	<i>Motor Vehicles</i> £	<i>Total</i> £
<i>Cost</i>				
Balance at 1 January 2023	120,000	16,205	4,400	140,605
Additions	-	-	16,000	16,000
Disposals	-	-	-	-
Balance at 31 December 2023	<u>120,000</u>	<u>16,205</u>	<u>20,400</u>	<u>156,605</u>
<i>Accumulated Depreciation</i>				
Balance at 1 January 2023	17,400	16,205	4,400	38,005
Charge for the year	2,400	-	334	2,734
Disposals	-	-	-	-
Balance at 31 December 2023	<u>19,800</u>	<u>16,205</u>	<u>4,734</u>	<u>40,739</u>
Net book value at 31 December 2023	<u>100,200</u>	<u>-</u>	<u>15,666</u>	<u>115,866</u>
Net book value at 31 December 2022	<u>102,600</u>	<u>-</u>	<u>-</u>	<u>102,600</u>

The property at 78 High Street, Bangor, Co Down, BT20 5AZ, was most recently revalued on 17 September 2015 by Neill Estate Agents, 98-100 High Street, Bangor, BT20 4AG at £120,000.

13. Debtors and prepayments

	2023 £	2022 £
Gift aid receivable	130,917	104,815
Grants receivable	29,672	-
Prepayments	47,927	39,786
	<u>208,516</u>	<u>144,601</u>

14. Creditors: amounts falling due within one year

	2023 £	2022 £
Other accruals	111,571	101,960
	<u>111,571</u>	<u>101,960</u>

Notes to the financial statements

For the year ended 31 December 2023

15. Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance at 31/12/22 £	Incoming Funds £	Amounts Expended £	Net Transfers £	Balance at 31/12/23 £
Cards	-	784	-	(784)	-
General fund	119,078	254,845	(238,452)	(10,643)	124,828
Partners	-	18,281	-	(18,281)	-
Shop	143	17,248	(20,065)	3,731	1,057
Anniversary fund	-	978	(1,955)	977	-
Designated funds	472,497	-	-	1,777	474,274
	<u>591,718</u>	<u>292,136</u>	<u>(260,472)</u>	<u>(23,223)</u>	<u>600,159</u>

Name of unrestricted Fund Description, nature and purposes of fund

General fund	Free reserves after allowing for all designated funds
Other unrestricted funds	Funds available for use at the discretion of the Trustees
Designated fund	Funds earmarked by the Trustees for the following specific purposes:

	Balance at 31/12/22 £	Incoming Funds £	Amounts Expended £	Net Transfers £	Balance at 31/12/23 £
<u>Designated funds</u>					
Running costs (1)	130,000	-	-	-	130,000
Designated Africa					
Development	37,497	-	-	(23,223)	14,274
Designated Choir 3	25,000	-	-	-	25,000
Designated Property	105,000	-	-	-	105,000
Designated Infrastructure	175,000	-	-	25,000	200,000
	<u>472,497</u>	<u>-</u>	<u>-</u>	<u>1,777</u>	<u>474,274</u>

(1) Running costs: Earmarked amount which covers approximately 6 months running costs (2022: 6 months)

Analysis of movements in restricted funds

	Balance at 31/12/22 £	Incoming Funds £	Amounts Expended £	Net Transfers £	Balance at 31/12/23 £
Africa team funds	16,729	88,747	(88,990)	-	16,486
Africa team projects	9,918	10,557	(15,116)	(2,362)	2,997
Child sponsorship	479,099	586,946	(535,476)	450	531,019
Choir funds	12,884	9,814	(72,696)	2,000	(47,998)
Health funds	5,848	2,179	(330)	(450)	7,247
School funds	23,088	94,196	(97,177)	4,170	24,277
Street children funds	45,046	43,778	(47,604)	(3,808)	37,412
Other funds	20,856	45,611	(58,601)	23,223	31,089
	<u>613,468</u>	<u>881,828</u>	<u>(915,990)</u>	<u>23,223</u>	<u>602,529</u>

Restricted funds have been grouped in accordance with the expenditure category to which they relate. All restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of the appeal.

Notes to the financial statements

For the year ended 31 December 2023

16. Income attributed to unrestricted funds.

Child Sponsorship Fund:

Abaana maintains a commitment to each donor that at least 95% of their child sponsorship donation is used directly in Uganda for Child Sponsorship Activities. In cases when child sponsorship donors contribute an additional voluntary amount towards the administration and running costs of Abaana, these additional voluntary donations are recorded as unrestricted income upon receipt. Where Gift Aid is applicable, it is attributed to UK Support

Africa teams:

Direct team payments are recorded within the appropriate restricted team fund. Preagreed team support costs are recorded as unrestricted income.

For all other restricted funds:

In order to cover project monitoring and administrative support costs, between 0% and 10% of receipts on all other restricted funds is recognised as unrestricted income on the date of receipt.

The following principles are applied when calculating the income attributed to unrestricted funds:

- A rate of 0-5% is applied if project is undersubscribed;
- A rate of 5% is applied to large funding projects;
- In all other cases a rate of 10% is applied as standard.

17. Summary of net assets by fund

	Unrestricted £	Restricted £	Total 2023 £
Fixed assets	115,866	-	115,866
Current assets	505,560	692,833	1,198,393
Creditors: amounts falling due within one year	(21,267)	(90,304)	(111,571)
Net assets	<u>600,159</u>	<u>602,529</u>	<u>1,202,688</u>

18. Reconciliation of net cash movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net (deficit) / surplus in funds	(2,498)	45,047
Depreciation charge	2,734	3,560
Interest income shown in investing activities	(22,987)	(8,024)
Decrease / (increase) in debtors	(63,915)	7,971
(Decrease) / increase in creditors	9,611	(15,317)
Net cash (expenditure on) / received from operating activities	<u>(77,055)</u>	<u>33,237</u>