

REGISTERED COMPANY NUMBER: 07883925 (England and Wales)  
REGISTERED CHARITY NUMBER: 1147128

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2016  
FOR AFRICAN ENTERPRISE INTERNATIONAL**

HPCA Limited  
Chartered Accountants  
and Statutory Auditors  
Station House  
Connaught Road  
Brookwood  
Woking  
Surrey  
GU24 0ER

**AFRICAN ENTERPRISE INTERNATIONAL**

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**for the year ended 31 December 2016**

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# AFRICAN ENTERPRISE INTERNATIONAL

## REPORT OF THE TRUSTEES for the year ended 31 December 2016

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2016. The trustees have adopted the provisions of 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).

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims for the public benefit**

The objective of AE International is to coordinate grants that are received from supporting partners and to manage their effective distribution to the ministry projects that are managed by partner teams within Africa. In addition the objectives are to provide oversight on good governance for all partners and to enable equity in the distribution of discretionary funds to partner members within Africa. The trustees provide substantial input into the primary direction and strategy relating to the management, coordination of activities and focus of the partnership as a whole as well as developing the policies and procedures that govern the partnership's operation. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives and in planning its future activities.

### **STRATEGIC REPORT**

#### **Achievement and performance**

##### *Charitable activities*

We are indeed indebted by the great grace we received in 2016, our main AEI Mission was a City Wide Mission that took place in Kumasi, Ghana that was able to pull in all the different teams from the 10 National Teams teams - Kenya, Uganda, Tanzania, Ethiopia, DRC Congo, Ghana, Rwanda, Malawi, Zimbabwe, South Africa. This enhanced togetherness and Unity by having the different teams working together on one activity. It was also key in helping us move forward in the harmonisation of our Mission documents - same content but contextualised in different contexts. In addition, some of our members did conduct a Global Evangelists Forum in Kumasi alongside our Kumasi partners in preparation for the Mission.

We are also grateful that our teams across the continent were able to conduct Missions in their various countries with a total of 1,097,223 per our mission statement receiving a credible exposure of the gospel through proclamation and social action activities.

Our efforts on the Go North Mission gathered more pace as more and more people and groups took interest in 2016 in our initiative to reach out to North Africa. Countries that participated in 2016 include South Africa, Rwanda, Ivory Coast, Morocco, Tunisia, Algeria, Mauritius and Kenya.

In November 2016, over 3000 people congregated in New York for the Movement Day (3 day) event bringing together Urban Ministries from around the world together to synergize and unify efforts towards proclamation and social action in the leading Cities of the world. As African Enterprise, we are glad we were involved in the mobilisation efforts of the 300 African delegation.

In July 2016 we managed to host AEI's triannual International Council in Nairobi, Kenya which brought together the whole partnership together with the aim of as building on the theme of Unity, Excellence and Effective Proclamation, hallmarks of values we are seeking to enhance across the partnership.

Finally, we also did in 2016 contribute to other events by our partners such as the Purpose Driven Movement Gathering in Rwanda as well as the Lausanne Movement where we sent some of our staff and various other young Leaders to the Young Leaders Gathering that took place in Jakarta, Indonesia.

#### **Financial review**

##### *Reserves policy*

The trustees aim is to maintain reserves in unrestricted funds that will be sufficient to cover the operational costs of the organisation for a period of 60 days or more. The trustees recognise that the level of funds received is dependent in turn on the fundraising efforts of partners rather than the direct fundraising efforts of the organisation itself and that the flow of funds can be variable.

The balance of unrestricted funds at the 31st December 2016 was \$84,272. The trustees apply restricted funds in strict accordance with the designation of those funds and therefore restricted funds held by AEI largely as a matter of timing differences rather than in accordance with a reserves policy.

## AFRICAN ENTERPRISE INTERNATIONAL

### REPORT OF THE TRUSTEES for the year ended 31 December 2016

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is constituted as a company limited by guarantee, as defined by the companies act 2006 and is hence controlled by its articles of association.

##### **Recruitment and appointment of new trustees**

Under the Memorandum and Articles of Association and the by-laws of African Enterprise International, most trustees are drawn from members of the African Enterprise International Council (IC) which is a group of companies that have signed the Covenant of Partnership (CoP) and is the body that appoints the trustees each three years. The IC determines the composition and membership of the International Board Trustees at its triennial meeting. At present trustees are appointed for a three-year term and may not serve more than two consecutive terms. The appointment of trustees between triennial IC meetings needs to be ratified at the next IC meeting.

The triennial meeting, hereby referred to as International Council (IC) took place on 16th July 2016 and new trustees were appointed,

##### **Organisational structure**

African Enterprise International Limited is a company limited by guarantee with the registered company number 07883925. It is registered as a charity (Charity Number 1147128). The constitution of the partnership provides for a triennial council made up of representatives of all the members of the partner organisations both within Africa and outside Africa. Each partner organisation has signed the CoP. The representatives of the partner organisation are as defined in the by-laws of the company and they approve the appointment of trustees each three years. The make-up of the board is set out in the constitution. The board comprises two members who represent partners within Africa and two who represent partners outside Africa. In addition there are two independent directors, the treasurer and the chairman. The company secretary attends board meetings as a nonvoting member. The International Team Leader (ITL) and the founder of the organisation are also ex-officio attendees. None of the trustees is remunerated.

##### **Induction and training of new trustees**

African Enterprise International Limited considers carefully the induction of new trustees and has prepared a board manual for new and existing trustees. Documents provided to incoming trustees comprise the following:-

- 1 History and Ethos of Organisation
- 2 Memorandum and Articles of Association and Covenant of Partnership
- 3 Personal Basis of Belief
- 4 Organisation's Statement of Faith (Lausanne Covenant)
- 5 Trustees Legal Responsibilities
- 6 Trustees Responsibilities to AE
- 7 Partnership Policy and Procedures Manual
- 8 Current Statutory Accounts
- 9 Current Management Accounts

Trustees are advised to read through the material thoroughly prior to signing the consent to act as a trustee.

##### **Wider network**

The IC represents the wider partnership, effectively the stakeholders and, in accordance the by-laws of the company, they have the right to remove trustees and to appoint new trustees. The trustees may appoint new trustees between each triennial meeting. Trustees appointed in this way need to be reappointed at the next triennial IC meeting.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

07883925 (England and Wales)

##### **Registered Charity number**

1147128

**AFRICAN ENTERPRISE INTERNATIONAL**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 December 2016**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered office**

Station House  
Connaught Road  
Brookwood  
Woking  
Surrey  
GU24 0ER

**Trustees**

|                      |                    |
|----------------------|--------------------|
| J L Addison          | - resigned 6.7.16  |
| Prof O W Otiende     | - appointed 6.7.16 |
| Rev J Senyonyi       |                    |
| Prof W Ogara         | - appointed 6.7.16 |
| Rev D Carpenter      |                    |
| J Collett            |                    |
| A Gatsi              |                    |
| J Catford            |                    |
| Ms C Kivengere       | - appointed 6.7.16 |
| Rev G Masalakulangwa | - appointed 6.7.16 |
| Rev N A Darku        | - appointed 6.7.16 |
| I K Kibue            | - resigned 6.7.16  |
| Dr O M Mdegella      | - resigned 6.7.16  |
| M S Bukula           | - resigned 6.7.16  |

**Company Secretary**

J L Addison

**Auditors**

HPCA Limited  
Chartered Accountants  
and Statutory Auditors  
Station House  
Connaught Road  
Brookwood  
Woking  
Surrey  
GU24 0ER

**AFRICAN ENTERPRISE INTERNATIONAL**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 December 2016**

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of African Enterprise International for the purposes of company law) are responsible for preparing the Report of the Trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 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 auditors are unaware; and
- 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 auditors are aware of that information.

**AUDITORS**

The auditors, HPCA Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15 JUNE 2017 and signed on the board's behalf by:

  
.....  
Rev. J. Senyonyi – Board Chairman

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**AFRICAN ENTERPRISE INTERNATIONAL**

We have audited the financial statements of African Enterprise International for the year ended 31 December 2016 on pages seven to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities set out on page four, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 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.

**Opinion on other matter 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the Trustees has been prepared in accordance with legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
AFRICAN ENTERPRISE INTERNATIONAL**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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.



Lance Redman (Senior Statutory Auditor)  
for and on behalf of HPCA Limited  
Chartered Accountants  
and Statutory Auditors  
Station House  
Connaught Road  
Brookwood  
Woking  
Surrey  
GU24 0ER

Date: ..... 15 June 2017



**AFRICAN ENTERPRISE INTERNATIONAL**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31 December 2016**

|                                     | Notes | Unrestricted funds<br>\$ | Restricted funds<br>\$ | Total 2016 funds<br>\$ | Total 2015 funds<br>\$ |
|-------------------------------------|-------|--------------------------|------------------------|------------------------|------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>   |       |                          |                        |                        |                        |
| <b>Charitable activities</b>        |       |                          |                        |                        |                        |
| Mission, Ministry Support and Other | 3     | 492,866                  | 446,029                | 938,895                | 1,192,137              |
| Aid & development                   |       | 74,811                   | 313,017                | 387,828                | 277,480                |
| Foxfires                            |       | 12,241                   | 9,329                  | 21,570                 | 22,391                 |
| George Whitefield College           |       | -                        | -                      | -                      | 177,228                |
| Investment income                   | 2     | <u>1</u>                 | <u>1</u>               | <u>2</u>               | <u>1</u>               |
| <b>Total</b>                        |       | <b>579,919</b>           | <b>768,376</b>         | <b>1,348,295</b>       | <b>1,669,237</b>       |
| <b>EXPENDITURE ON</b>               |       |                          |                        |                        |                        |
| <b>Charitable activities</b>        |       |                          |                        |                        |                        |
| Mission, Ministry Support and Other | 4     | 166,803                  | 98,980                 | 265,783                | 236,348                |
| Aid & development                   |       | 74,811                   | 313,017                | 387,828                | 281,778                |
| Foxfires                            |       | 12,241                   | 6,573                  | 18,814                 | 28,466                 |
| Team support costs                  |       | -                        | 222,132                | 222,132                | 318,560                |
| George Whitefield College           |       | -                        | -                      | -                      | 177,228                |
| Pan African Mission                 |       | -                        | 127,777                | 127,777                | 100,115                |
| Founder's department                |       | 20,867                   | -                      | 20,867                 | 41,678                 |
| ITL department                      |       | 124,682                  | -                      | 124,682                | 145,278                |
| Reconciliation department           |       | -                        | -                      | -                      | 52,873                 |
| Communications department           |       | -                        | 69,502                 | 69,502                 | 48,037                 |
| Ministry support                    |       | <u>149,503</u>           | <u>-</u>               | <u>149,503</u>         | <u>363,087</u>         |
| <b>Total</b>                        |       | <b>548,907</b>           | <b>837,981</b>         | <b>1,386,888</b>       | <b>1,793,448</b>       |
| <b>NET INCOME/(EXPENDITURE)</b>     |       | <b>31,012</b>            | <b>(69,605)</b>        | <b>(38,593)</b>        | <b>(124,211)</b>       |
| <b>RECONCILIATION OF FUNDS</b>      |       |                          |                        |                        |                        |
| <b>Total funds brought forward</b>  |       | <b>53,261</b>            | <b>166,055</b>         | <b>219,316</b>         | <b>343,527</b>         |
| <b>TOTAL FUNDS CARRIED FORWARD</b>  |       | <b><u>84,273</u></b>     | <b><u>96,450</u></b>   | <b><u>180,723</u></b>  | <b><u>219,316</u></b>  |

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

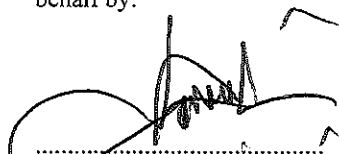
The notes form part of these financial statements

**AFRICAN ENTERPRISE INTERNATIONAL**

**BALANCE SHEET**  
**At 31 December 2016**

|  | Notes | Unrestricted<br>funds<br>\$ | Restricted<br>funds<br>\$ | 2016<br>Total funds<br>\$ | 2015<br>Total funds<br>\$ |
|--|-------|-----------------------------|---------------------------|---------------------------|---------------------------|
| <b>CURRENT ASSETS</b>                        |       |                             |                           |                           |                           |
| Debtors                                      | 13    | 10,400                      | -                         | 10,400                    | 8,736                     |
| Cash at bank                                 |       | <u>104,680</u>              | <u>96,451</u>             | <u>201,131</u>            | <u>249,679</u>            |
|  |       | 115,080                     | 96,451                    | 211,531                   | 258,415                   |
| <b>CREDITORS</b>                             |       |                             |                           |                           |                           |
| Amounts falling due within one year          | 14    | (30,808)                    | -                         | (30,808)                  | (39,099)                  |
| <b>NET CURRENT ASSETS</b>                    |       |                             |                           |                           |                           |
|  |       | <u>84,272</u>               | <u>96,451</u>             | <u>180,723</u>            | <u>219,316</u>            |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                             |                           |                           |                           |
|  |       | <u>84,272</u>               | <u>96,451</u>             | <u>180,723</u>            | <u>219,316</u>            |
| <b>NET ASSETS</b>                            |       |                             |                           |                           |                           |
|  |       | <u>84,272</u>               | <u>96,451</u>             | <u>180,723</u>            | <u>219,316</u>            |
| <b>FUNDS</b>                                 |       |                             |                           |                           |                           |
| Unrestricted funds                           | 16    |                             |                           | 84,272                    | 53,261                    |
| Restricted funds                             |       |                             |                           | <u>96,451</u>             | <u>166,055</u>            |
| <b>TOTAL FUNDS</b>                           |       |                             |                           |                           |                           |
|  |       |                             |                           | <u>180,723</u>            | <u>219,316</u>            |

The financial statements were approved by the Board of Trustees on 15<sup>th</sup> June 2017 and were signed on its behalf by:

  
.....  
Rev J Senyonyi -Trustee

The notes form part of these financial statements

**AFRICAN ENTERPRISE INTERNATIONAL**

**CASH FLOW STATEMENT**  
**for the year ended 31 December 2016**

|   | Notes | 2016<br>\$      | 2015<br>\$       |
|---|-------|-----------------|------------------|
| <b>Cash flows from operating activities:</b>                              |       |                 |                  |
| Cash generated from operations  | 1     | (46,202)        | (115,956)        |
| Interest paid   |       | <u>(2,114)</u>  | <u>(5,209)</u>   |
| <b>Net cash provided by (used in) operating activities</b>                |       | <u>(48,316)</u> | <u>(121,165)</u> |
|   |       | _____           | _____            |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | (48,316)        | (121,165)        |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> | 2     | <u>249,447</u>  | <u>370,608</u>   |
| <b>Cash and cash equivalents at the end of the reporting period</b>       | 2     | <u>201,131</u>  | <u>249,443</u>   |

The notes form part of these financial statements

AFRICAN ENTERPRISE INTERNATIONAL

NOTES TO THE CASH FLOW STATEMENT

for the year ended 31 December 2016

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

|  | 2016            | 2015             |
|--|-----------------|------------------|
|  | \$              | \$               |
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | (38,593)        | (124,211)        |
| <b>Adjustments for:</b>  |                 |                  |
| Interest paid  | 2,114           | 5,209            |
| Increase in debtors  | (1,664)         | (216)            |
| (Decrease)/increase in creditors   | <u>(8,059)</u>  | <u>3,262</u>     |
| Net cash provided by (used in) operating activities  | <u>(46,202)</u> | <u>(115,956)</u> |

**2. ANALYSIS OF CASH AND CASH EQUIVALENTS**

|  | 2016           | 2015           |
|--|----------------|----------------|
|  | \$             | \$             |
| Notice deposits (less than 3 months)   | 201,131        | 249,679        |
| Overdrafts included in bank loans and overdrafts falling due within one year | <u>-</u>       | <u>(232)</u>   |
| <b>Total cash and cash equivalents</b>                                       | <u>201,131</u> | <u>249,447</u> |

## AFRICAN ENTERPRISE INTERNATIONAL

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2016

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Charitable activities**

The charitable company's principle activities are as follows:

##### Mission & Ministry

This consists of support towards missions that are held across Africa by the partners in the ten teams in Africa who are part of the partnership. These missions use an approach called stratified evangelism where each strata of society within a city has a focussed reach out. In addition funds go towards a major mission in a city that is strategic to a country or region and is usually outside the national boundaries of partner teams. In recent years these missions have included Bujumbura in Burundi and Juba in Southern Sudan, Monrovia in Liberia, Maputo in Mozambique and Pietermaritzburg in South Africa. Funds go to directly support missions and in addition the staff that go on mission or provide the necessary infrastructure to assist teams in going on mission. Ministry also covers Peacebuilding exercises within countries and youth evangelism.

##### Aid & development

This consists of support for a range of socially focussed projects covering community needs. Examples would include programmes for the rehabilitation of prostitutes, skills training to assist in running a small enterprise, primary health clinics including immunisation programmes and water and sanitation projects within very deprived communities.

##### **Governance costs**

This consists of all legal and other costs connected to the charitable company meeting its statutory governance obligations and includes the annual audit fee and the costs associated with the meetings of the International board of trustees (directors).

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

**AFRICAN ENTERPRISE INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 December 2016**

**1. ACCOUNTING POLICIES - continued**

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Monies received by the charitable company are mainly restricted by both activity and country where the money is to be spent. The restrictions applied are always fulfilled but in order that the fund reporting is not broken down to an unhelpful level of detail the restricted funds have been identified at a country level only.

Apart from the Pan African Mission Fund all restricted funds are country specific and include all incoming resources that are to be allocated to the country specified.

**2. INVESTMENT INCOME**

|                   | 2016     | 2015     |
|-------------------|----------|----------|
|                   | \$       | \$       |
| Investment income | <u>2</u> | <u>1</u> |

**3. INCOME AS ANALYSED BY INTENDED ACTIVITY**

|        |                                     | 2016             | 2015             |
|--------|-------------------------------------|------------------|------------------|
|        | Activity                            | \$               | \$               |
| Income | Mission, Ministry Support and Other | 938,895          | 1,192,137        |
| Income | Aid & development                   | 387,828          | 277,480          |
| Income | Foxfires                            | 21,570           | 22,391           |
| Income | George Whitefield College           | <u>-</u>         | <u>177,228</u>   |
|        |                                     | <u>1,348,293</u> | <u>1,669,236</u> |

Aid and development includes funds identified for third parties. See note 11 for breakdown of incoming resources by donor country.

**4. CHARITABLE ACTIVITIES COSTS**

|                                     | Direct costs     | Grant funding<br>of activities<br>(See note 5) | Support costs<br>(See note 6) | Totals           |
|-------------------------------------|------------------|--|-------------------------------|------------------|
|                                     | \$               | \$   | \$                            | \$               |
| Mission, Ministry Support and Other | 205,144          | -  | 60,639                        | 265,783          |
| Aid & development                   | 361,428          | 26,400   | -                             | 387,828          |
| Foxfires                            | 18,814           | -  | -                             | 18,814           |
| Team support costs                  | 222,132          | -  | -                             | 222,132          |
| Pan African Mission                 | 127,777          | -  | -                             | 127,777          |
| Founder's department                | 20,867           | -  | -                             | 20,867           |
| Communications department           | 69,502           | -  | -                             | 69,502           |
| Ministry support                    | 62,753           | -  | 86,750                        | 149,503          |
| ITL department                      | <u>-</u>         | <u>-</u>                                       | <u>124,682</u>                | <u>124,682</u>   |
|                                     | <u>1,088,417</u> | <u>26,400</u>                                  | <u>272,071</u>                | <u>1,386,888</u> |

**AFRICAN ENTERPRISE INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 December 2016**

**5. GRANTS PAYABLE**

|                           | 2016          | 2015           |
|---------------------------|---------------|----------------|
|                           | \$            | \$             |
| Aid & development         | 26,400        | 30,956         |
| George Whitefield College | <u>-</u>      | <u>177,228</u> |
|                           | <u>26,400</u> | <u>208,184</u> |

The total grants paid to institutions during the year was as follows:

|                  | 2016          | 2015           |
|------------------|---------------|----------------|
|                  | \$            | \$             |
| 3rd party grants | 26,400        | 30,956         |
| GWC              | <u>-</u>      | <u>177,228</u> |
|                  | <u>26,400</u> | <u>208,184</u> |

George Whitefield College (GWC) is a theological college in Cape Town, South Africa with which AE has a number of relationships. AE does not raise the funds for GWC but merely manages the funds raised for GWC in Australia.

**6. SUPPORT COSTS**

|                                     | Management     | Finance       | Governance costs | Totals         |
|-------------------------------------|----------------|---------------|------------------|----------------|
|                                     | \$             | \$            | \$               | \$             |
| Mission, Ministry Support and Other | -              | -             | 60,639           | 60,639         |
| ITL department                      | 124,682        | -             | -                | 124,682        |
| Ministry support                    | <u>38</u>      | <u>22,698</u> | <u>64,014</u>    | <u>86,750</u>  |
|                                     | <u>124,720</u> | <u>22,698</u> | <u>124,653</u>   | <u>272,071</u> |

**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

|   | 2016          | 2015          |
|---|---------------|---------------|
|   | \$            | \$            |
| Auditors' remuneration                    | 12,000        | 12,000        |
| Auditors' remuneration for non audit work | <u>48,639</u> | <u>39,987</u> |

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015.

**Trustees' expenses**

The board of trustees is made of a number of individuals from various countries and when the board meet the costs of travel, accommodation and subsistence are met by the charitable company.

**AFRICAN ENTERPRISE INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 December 2016**

**9. STAFF COSTS**

|                    |                |                |
|--------------------|----------------|----------------|
|                    | 2016           | 2015           |
|                    | \$             | \$             |
| Wages and salaries | <u>278,226</u> | <u>374,300</u> |

The average monthly number of employees during the year was as follows:

|                |          |          |
|----------------|----------|----------|
|                | 2016     | 2015     |
| Communications | <u>2</u> | <u>1</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|            |          |          |
|------------|----------|----------|
|            | 2016     | 2015     |
| >\$100,000 | <u>-</u> | <u>1</u> |

Wages and salaries include 7 AEI non-UK staff and 2 UK-based staff members during 2016 (2015:7 & 2). None of the AEI non-UK staff are legally employed by the charity but are employed by other partners. As AEI ultimately bear these costs they are included within "wages and salaries" disclosure.

**10. STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31ST DECEMBER 2015**

|                                     | Unrestricted<br>funds<br>\$ | Restricted<br>funds<br>\$ | Total funds<br>\$ |
|-------------------------------------|-----------------------------|---------------------------|-------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>   |                             |                           |                   |
| <b>Charitable activities</b>        |                             |                           |                   |
| Mission, Ministry Support and Other | 517,693                     | 674,444                   | 1,192,137         |
| Aid & development                   | -                           | 277,480                   | 277,480           |
| Foxfires                            | 5,987                       | 16,404                    | 22,391            |
| George Whitefield College           | -                           | 177,228                   | 177,228           |
| Investment income                   | <u>1</u>                    | <u>-</u>                  | <u>1</u>          |
| <b>Total</b>                        | <b>523,681</b>              | <b>1,145,556</b>          | <b>1,669,237</b>  |
| <b>EXPENDITURE ON</b>               |                             |                           |                   |
| <b>Charitable activities</b>        |                             |                           |                   |
| Mission, Ministry Support and Other | 6,559                       | 229,789                   | 236,348           |
| Aid & development                   | 75,888                      | 205,890                   | 281,778           |
| Foxfires                            | -                           | 28,466                    | 28,466            |
| Team support costs                  | -                           | 318,560                   | 318,560           |
| George Whitefield College           | -                           | 177,228                   | 177,228           |
| Pan African Mission                 | -                           | 100,115                   | 100,115           |
| Founder's department                | 41,678                      | -                         | 41,678            |
| ITL department                      | 145,278                     | -                         | 145,278           |
| Reconciliation department           | -                           | 52,873                    | 52,873            |
| Communications department           | -                           | 48,037                    | 48,037            |
| Ministry support                    | <u>323,286</u>              | <u>39,801</u>             | <u>363,087</u>    |
| <b>Total</b>                        | <b>592,689</b>              | <b>1,200,759</b>          | <b>1,793,448</b>  |
| <b>NET INCOME/(EXPENDITURE)</b>     | <b>(69,008)</b>             | <b>(55,203)</b>           | <b>(124,211)</b>  |



**AFRICAN ENTERPRISE INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 December 2016**

**10. STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31ST DECEMBER 2015 - continued**

|                                    | Unrestricted<br>funds<br>\$ | Restricted<br>funds<br>\$ | Total funds<br>\$ |
|------------------------------------|-----------------------------|---------------------------|-------------------|
| <b>RECONCILIATION OF FUNDS</b>     |                             |                           |                   |
| <b>Total funds brought forward</b> | 122,269                     | 221,258                   | 343,527           |
|                                    | <hr/>                       | <hr/>                     | <hr/>             |
| <b>TOTAL FUNDS CARRIED FORWARD</b> | <u>53,261</u>               | <u>166,055</u>            | <u>219,316</u>    |

**11. DETAILED ANALYSIS OF INCOMING RESOURCES BY COUNTRY**

The charity received funds from partner charities located in different countries throughout the world as follows:

| <b>Country</b> | 2016<br>\$       | 2015<br>\$       |
|----------------|------------------|------------------|
| Australia      | 700,693          | 1,013,969        |
| Belgium        | 34,034           | 29,875           |
| Canada         | 33,195           | 30,117           |
| Ireland        | 14,625           | 19,177           |
| New Zealand    | 8,469            | 11,652           |
| UK             | -                | -                |
| USA            | 532,784          | 553,059          |
| Switzerland    | 12,912           | 2,864            |
| Direct funds   | <u>11,581</u>    | <u>8,523</u>     |
| <b>Total</b>   | <u>1,348,293</u> | <u>1,669,236</u> |

**12. ANALYSIS OF OUTGOING RESOURCES BY RECIPIENT COUNTRY**

The following countries received funds for missions; team support; ministry; aid and development; Foxfires and other allocations as shown below:

| <b>Country</b>                                    | 2016<br>\$     | 2015<br>\$       |
|---|----------------|------------------|
| Congo   | 23,009         | 37,963           |
| Ethiopia  | 86,248         | 83,605           |
| Ghana   | 99,423         | 92,177           |
| Kenya   | 116,103        | 138,672          |
| Malawi  | 164,805        | 116,135          |
| Rwanda  | 114,184        | 101,086          |
| South Africa - includes George Whitefield College | 29,270         | 204,239          |
| Sudan   | -              | 52,873           |
| Tanzania  | 20,595         | 30,640           |
| Uganda  | 40,895         | 68,638           |
| Zimbabwe  | <u>34,461</u>  | <u>97,563</u>    |
| <b>Total</b>                                      | <u>728,993</u> | <u>1,023,591</u> |

**AFRICAN ENTERPRISE INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 December 2016**

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|          | 2016          | 2015         |
|----------|---------------|--------------|
|          | \$            | \$           |
| Missions | 9,830         | 8,069        |
| Others   | <u>570</u>    | <u>667</u>   |
|          | <u>10,400</u> | <u>8,736</u> |

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|   | 2016          | 2015          |
|---|---------------|---------------|
|   | \$            | \$            |
| Bank loans and overdrafts (see note 15) | -             | 232           |
| Other creditors                         | 5,808         | 7,522         |
| Staff Benefit Fund                      | -             | 5,595         |
| Accrued expenses                        | <u>25,000</u> | <u>25,750</u> |
|   | <u>30,808</u> | <u>39,099</u> |

**15. LOANS**

An analysis of the maturity of loans is given below:

|  | 2016     | 2015       |
|--|----------|------------|
|  | \$       | \$         |
| Amounts falling due within one year on demand: |          |            |
| Bank overdraft                                 | <u>-</u> | <u>232</u> |

**16. MOVEMENT IN FUNDS**

|                                     | At 1.1.16      | Net movement<br>in funds | At 31.12.16    |
|-------------------------------------|----------------|--------------------------|----------------|
|                                     | \$             | \$                       | \$             |
| <b>Unrestricted funds</b>           |                |                          |                |
| General fund                        | 53,261         | 31,011                   | 84,272         |
| <b>Restricted funds</b>             |                |                          |                |
| Malawi                              | 8,817          | (6,251)                  | 2,566          |
| Pan African Mission                 | 10,095         | (10,095)                 | -              |
| South Sudan                         | 69,787         | 2,514                    | 72,301         |
| Leadership development              | 830            | -                        | 830            |
| Community development               | 382            | -                        | 382            |
| Communications work                 | 29,914         | (22,414)                 | 7,500          |
| Team support - not country specific | 46,230         | (45,893)                 | 337            |
| Mission general - includes meetings | <u>-</u>       | <u>12,535</u>            | <u>12,535</u>  |
|                                     | <u>166,055</u> | <u>(69,604)</u>          | <u>96,451</u>  |
| <b>TOTAL FUNDS</b>                  | <u>219,316</u> | <u>(38,593)</u>          | <u>180,723</u> |

**AFRICAN ENTERPRISE INTERNATIONAL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 December 2016**

**16. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

|                                     | Incoming<br>resources<br>\$ | Resources<br>expended<br>\$ | Movement in<br>funds<br>\$ |
|-------------------------------------|-----------------------------|-----------------------------|----------------------------|
| <b>Unrestricted funds</b>           |                             |                             |                            |
| General fund                        | 579,919                     | (548,908)                   | 31,011                     |
| <b>Restricted funds</b>             |                             |                             |                            |
| Congo                               | 4,000                       | (4,000)                     | -                          |
| Ghana                               | 101,346                     | (101,346)                   | -                          |
| Kenya                               | 64,362                      | (64,362)                    | -                          |
| Malawi                              | 157,060                     | (163,311)                   | (6,251)                    |
| Rwanda                              | 77,306                      | (77,306)                    | -                          |
| SA                                  | 83,791                      | (83,791)                    | -                          |
| Tanzania                            | 1,000                       | (1,000)                     | -                          |
| Ethiopia                            | 47,731                      | (47,731)                    | -                          |
| Uganda                              | 1,240                       | (1,240)                     | -                          |
| Zimbabwe                            | 4,030                       | (4,030)                     | -                          |
| Pan African Mission                 | 33,725                      | (43,820)                    | (10,095)                   |
| South Sudan                         | 2,514                       | -                           | 2,514                      |
| Communications work                 | 39,587                      | (62,001)                    | (22,414)                   |
| Team support - not country specific | 112,680                     | (158,573)                   | (45,893)                   |
| Mission general - includes meetings | 38,004                      | (25,469)                    | 12,535                     |
|                                     | <u>768,376</u>              | <u>(837,980)</u>            | <u>(69,604)</u>            |
| <b>TOTAL FUNDS</b>                  | <u><u>1,348,295</u></u>     | <u><u>(1,386,888)</u></u>   | <u><u>(38,593)</u></u>     |

**17. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2016.

AFRICAN ENTERPRISE INTERNATIONAL

DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
for the year ended 31 December 2016

|                                 | 2016             | 2015             |
|---------------------------------|------------------|------------------|
|                                 | \$               | \$               |
| <b>INCOME AND ENDOWMENTS</b>    |                  |                  |
| <b>Investment income</b>        |                  |                  |
| Investment income               | 2                | 1                |
| <b>Charitable activities</b>    |                  |                  |
| Income                          | <u>1,348,293</u> | <u>1,669,236</u> |
| <b>Total incoming resources</b> | 1,348,295        | 1,669,237        |
| <b>EXPENDITURE</b>              |                  |                  |
| <b>Charitable activities</b>    |                  |                  |
| Wages                           | 184,201          | 133,600          |
| Team support                    | 222,133          | 318,560          |
| Training                        | -                | 52,873           |
| Mission                         | 174,325          | 202,422          |
| Aid & development               | 255,787          | 205,890          |
| Foxfires                        | 18,814           | 28,466           |
| Travel                          | 9,318            | 12,081           |
| Office costs                    | 24,303           | 3,193            |
| Other costs                     | 69,645           | 59,500           |
| Executive search                | 7,500            | -                |
| Abidjan                         | -                | 14,799           |
| Harare                          | -                | 83,653           |
| Angola (Luanda) 2017            | -                | 1,663            |
| Pan African Missions - Ghana K  | 120,277          | -                |
| Exchange losses                 | 2,114            | 5,209            |
| Grants to institutions          | <u>26,400</u>    | <u>208,184</u>   |
|                                 | 1,114,817        | 1,330,093        |
| <b>Support costs</b>            |                  |                  |
| <b>Management</b>               |                  |                  |
| Wages                           | 76,405           | 69,348           |
| Sundries                        | 38               | -                |
| Travel - ITL                    | 2,548            | 25,771           |
| Office costs - ITL              | 45,729           | 31,455           |
| Reverse missions                | <u>-</u>         | <u>18,704</u>    |
|                                 | 124,720          | 145,278          |
| <b>Finance</b>                  |                  |                  |
| Wages                           | 17,620           | 171,352          |
| Bank charges                    | 2,275            | 2,289            |
| Travel- COO & finance           | -                | 7,130            |
| Office costs - COO & finance    | <u>2,803</u>     | <u>16,100</u>    |
|                                 | 22,698           | 196,871          |

This page does not form part of the statutory financial statements

