# Fields of Life Trust

## Trustees' Report and Financial Statements

Year ending 30.06.2017

Company No: NI30695

**Charity Number:** 104839

## Trustees

Rev Trevor Stevenson
David Stevenson
Dolway Johnston
Anne Brown
Maurice Donaldson
Angus Wilson MBE
Raymond Mulligan
Dr John McMullen (appointed 14th September 2016)

## Chair
Rev Trevor Stevenson

## Secretary
Dolway Johnston

## CEO
Richard Spratt

## Auditors
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Chartered Accountants & Statutory Auditor
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## Solicitors
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BT1 2LA

## Registered Office
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Craigavon
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# Trustees' report

**For year ended 30 June 2017**

The Trustees present their report and the audited financial statements for the year ending 30 June 2017 which have also been prepared to meet the requirements for a directors' report and accounts for Companies Act 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 2016).

## Chair's report

The past year has been incredibly encouraging especially as we are now celebrating 25 years since the vision which led to the formation of Fields of Life. It was my huge privilege over the course of the last year to meet with Fields of Life Alumni, a group of young people who were supported as vulnerable children via the Fields of Life sponsorship programme. These young people are already making a difference in their own society and they have formed the "Fields of Life Alumni Association" to raise funds to build a school in Karamoja, Northern Uganda. In their own lives they have experienced how one person has made a difference for them. Now they want to give back and let others experience the transformation they have seen in their own lives.

I was humbled as I listened to their stories and I thanked God that I listened to His leading all those years ago. We are now seeing much fruit for all the labour over many years. Thank you all for standing with us and let's keep going so we can see many more lives changed and transformed.

It is our ambition over the next five years along with other Fields of Life related parties to positively impact 500,000 of the most vulnerable and marginalised people in East Africa and to see their lives transformed. We will be focusing on the following strategic aims over the next few years to June 2021.

I would like to thank all of our donors, staff, volunteers and Trustees for all of your generosity, commitment and support in continuing to make it possible to see lives changed in East Africa.

Trevor Stevenson

## Purposes and activities

Fields of Life Trust's principal activity, as set out in The Memorandum of Association

The Company's main objectives are to promote, predominately in the developing world the following:-

(1) To relieve and prevent poverty for people in Africa and elsewhere in the developing world.

(2) To advance education for people in Africa and elsewhere in the developing world.

(3) To relieve sickness and promote health for people in Africa and elsewhere in the developing world including providing sources of clean drinking water.

(4) To advance the Christian Faith through education and training for people in Africa and elsewhere in the developing world.

The Memorandum and Articles of Association was reviewed and updated by the Board of Directors dated 8th February 2017.

Our vision is to change lives, transform communities and build hope in East Africa.

# Trustees' report

**For year ended 30 June 2017**

It is our passionate desire to see local churches and partners in East Africa strengthened and empowered to be the drivers of change in their own communities, so that children especially are nurtured and developed to realise their potential by bringing hope and future to their nations.
Fields of Life is committed to sharing the Christian faith by collaborating with local communities and churches in East Africa to bring about positive change through the provision of quality education, clean water, health promotion and other community based projects.

Everything that we are and everything that we do is formed and shaped by our Christian identity as we seek to demonstrate God's unconditional love for all. Following the example of Christ, we serve all people regardless of religion, race, ethnicity or gender and at all times are sensitive to the diverse cultural contexts in which we have the awesome privilege of working. Fields of Life exists to be an effective Christian response where there is injustice and suffering in East Africa and beyond. We passionately believe that God is at work in the world today and that he is working in and through his people, the local church. We believe the local church is the hope of the world and we want to seek out, support and empower local, selfless African leaders who have a heart and concern for the communities whom they serve. We are committed to sharing and communicating the transforming message of Jesus, through our partners, to those afflicted by extreme poverty and to those people who feel they have no voice or a meaningful contribution to make in the world today

The strategies employed to achieve the charity's aims and objectives are:

- to empower, support and build the capacity of our partners to deliver child focused, quality education in East Africa;
- to see children and young people in East Africa nurtured holistically to realise their potential and have the opportunity to develop physically, mentally, spiritually, morally and socially;
- to provide communities where there is no or very limited access, with sustainable, clean water sources;
- to create opportunities specifically for marginalised young people in East Africa through the stimulation of local enterprise, economy and a focus on the development of skills based and vocational education.

**Achievements and performance**
**Review of activities:**

Raising of Support

During the course of the year we are pleased to report a significant uplift in donations.

The details below provide a summary of the work achieved in East Africa during the year due to the support from Fields of Life Trust and other related parties.

*Quality Education*

More than 40,000 children are attending Fields of Life supported schools in East Africa. A quality education programme is in place to ensure that, in addition to providing financial and infrastructural support, the schools also strive to improve teaching standards and management and governance structures.

Formal partnerships have been established with both South Eastern Regional College (SERC) and Stranmillis College in Northern Ireland to strengthen and develop both vocational training and teacher education initiatives in East Africa. We are excited that the future impact of these partnerships will be significant for thousands of young Africans in the years ahead.

# Trustees' report

**For year ended 30 June 2017**

*Child Sponsorship*

During the year Fields of Life Trust established a 2-year partnership with the Peter Vardy Foundation which will assist up to 10,000 vulnerable young people in over 20 Fields of Life supported schools.
This is also enabling the trialling of a different sponsorship methodology whereby all children in the schools are supported with food security and agricultural programmes, improved teacher education and enhanced access to educational materials and resources.

*School Programmes*

During the financial year a menstrual hygiene programme was delivered in 48 schools as part of the organisational strategy to retain girls in school and enable the completion of their education. Over 35,000 boys, girls, women and men were reached to improve girls' retention in school and trained on child protection issues.

Christian Education programmes were also delivered in both primary and secondary schools throughout Uganda. Fields of Life has developed its own Christian Life skills course entitled 'Living Well' which is currently under review by the National Curriculum Development Centre in Uganda regarding potential roll out to all government schools in the country.

*School Infrastructural Improvement*

During the year the focus was on infrastructural development in existing Fields of Life supported schools in Uganda, which included the construction of 3 nursery blocks, 2 schools being provided with a perimeter fence, 3 kitchens, 3 staff houses, 1 dormitory and 5 latrines.

We also supported school infrastructure in South Sudan, including new classrooms and furniture at 1 Nursery, 2 Primary and 1 Secondary schools, a school perimeter fence and 2 latrine blocks.

Funding has also been committed for the construction of a Vocational Training Institute in Gulu, Northern Uganda which will commence in the latter part of 2018.

*WASH (Water, Sanitation and Hygiene)*

The WASH programme includes different components:-

- The provision of water sources in remote, rural locations. In this year, the provision of safe water was extended to 2 districts in Uganda and the drilling of 95 boreholes including the drilling of a number of wells in one of the most deprived regions of Uganda, namely the Karamoja region. 55 boreholes were also rehabilitated following the completion of an audit of wells drilled between 2010-2013.
- An emergency appeal was rolled out to assist in the work of supporting South Sudanese refugees domiciled in Northern Uganda. Fields of Life and Fields of Life Trust Limited funded the drilling of 10 wells in and around Bidi Bidi Refugee Camp, Yumbe District, Uganda.

**Financial review**

Income and expenditure
Income for the year was £2,547,933 compared to the 12 Months previous at £1,951,412. Total expenditure increased to £2,387,358 (12 Months £1,616,426) and gross expenditure on Charitable Activities increased to £2,037,337 (12 Months: £1,354,487). The amount of money spent on charitable activities represented 85% (12 Months: 84%) of total expenditure.

All restricted funds held by Fields of Life Trust are dispersed to projects in East Africa and where the funding is collected over more than one accounting year, it is common for the initial year to have a surplus and the subsequent year to show a deficit. The net position for each specific fund

# Trustees' report

**For year ended 30 June 2017**

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. Gift-in-kind office accommodation and associated costs are provided by the generosity of donors in both Portadown, Northern Ireland and FOL GB in Sittingbourne, Kent.

Reserves

The Board of Trustees reviews the reserves annually. Three to six months operational costs are held in reserves. 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 £811,094 (12 Months: £714,314).

*Unrestricted funds* at year end were £195,089 (12 Months: £127,876).

Organisational development

The organisation has appointed an International Operations Manager to improve organisational capacity and improve internal communications and with other Fields of Life related parties. This is a strategic appointment for the organisation given sustained combined growth across the Fields of Life related parties.

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

**Structure, Governance and Management**

Governing Document
Fields of Life Trust is a company limited by guarantee governed by its Memorandum and Articles of Association updated on 8th February 2017.

Appointment of Trustees
Fields of Life Trust continues to review and expand its Board membership to ensure the necessary professional expertise, requisite skillsets and gender balance is in place. Any prospective candidates sit on the Board on an ex-officio basis or a sub-committee for a period of time. If appointment is subsequently recommended by the existing Trustees, the candidates will be formally invited to join the Board and inducted accordingly.

Dr John McMullen was appointed during the financial year to bring specific East African education programme skills and experience to the Board.

Trustee induction and training
Through membership of the Board, Trustees have oversight and develop their knowledge of all of Fields of Life Trust's key activities. Trustees also meet regularly with Fields of Life staff members and receive appropriate regulatory and governance advice and training.

Relationship with other charities
Fields of Life is closely associated with Fields of Life Trust Limited (Republic of Ireland), Fields of Life (Uganda), Fields of Life GB Limited (Great Britain) and Fields of Life USA. Please note that Fields of Life GB Limited is independently audited but that staff and other associated costs have been reflected in this year's reporting period for Fields of Life Trust pending transfer of contracts of employment.

# Trustees' report

**For year ended 30 June 2017**

Fields of Life Trust (Northern Ireland) known as 'Fields of Life International' has entered into a Memorandum of Understanding with Fields of Life GB Limited, Fields of Life Trust Limited (Republic of Ireland) and documentation is currently being finalised for the signing of a memorandum of Understanding with both FOL USA and Fields of Life (Uganda). Either the Chair or a nominated Director from each of the related parties is invited to take a seat on the board of Fields of Life International thus formally incorporating the views from the various related parties and inputting into overall organisational wide vision, ethos and strategy.

The Memorandum of Understanding stipulates that the CEO employed by Fields of Life Trust (Northern Ireland) is deemed the 'International CEO' with formal delegated authority, via the agreement, from the various boards to manage all staff in the related parties.

Pay policy for staff

The Board of directors, who are the Charity's Trustees, have overall oversight of the activities of the charity. The board have delegated responsibility to a Finance and Personnel sub-committee for considering, and where relevant, approving any pay increases for all staff. All staff salaries are based on the NICVA (Northern Ireland Community and Voluntary Association) NJC payscales thus ensuring they are sectorally benchmarked and relevant to this jurisdiction. All directors give of their time freely and no director received remuneration during the year.

Risk Management

The Board of Trustees along with the CEO has overall responsibility for Fields of Life Trust risk management procedures. A formal process is in place which includes the development and annual review of a comprehensive risk register identifying and putting appropriate control measures in place for the management of key organisational risks.

The risks are assessed on the likelihood of occurrence and the subsequent potential impact on the organisation should they occur. The risk register is subject to annual review by the Board of Trustees and more frequently, if required. Key risks identified (with mitigation measures in place) include:

- Accident to overseas volunteer in East Africa
- Loss of key personnel.
- Child protection/safeguarding issues in Fields of Life supported projects in East Africa.
- Lack of staff capacity at Fields of Life HQ.
- Inability to take advantage of a key funding opportunity.

Other key controls used by the charity include:

- Formal agendas for regular Board meetings with minutes recorded and action points noted;
- Strategic planning (movement wide) every 3-5 years from which operational work plans are developed;
- Robust financial management include budgeting and presentation of management accounts to Board meetings scrutinised against agreed budgets;
- Clearly defined organisational structure and lines of reporting;
- Requisite policies in place which are reviewed annually;
- Strong, credible professional legal and accounting advice is in place;
- Only funds raised are delivered to East African projects and with reserves policy in place there is no risk of funds running into deficit;
- Reserves Policy in place.

**Trustees' responsibilities in relation to the financial statements**

The charity Trustees (who are also the directors of Fields of Life Trust for the purposes of company law) are responsible for preparing a Trustees' annual report and financial statements

# Trustees' report

**For year ended 30 June 2017**

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.

**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**

PKF FPM Accountants Limited have expressed their willingness to continue in office as auditors.

**Approval**

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

**Mr Dolway Johnston**
Secretary

Date 27/3/18.

# Independent Auditor's Report

**For year ended 30 June 2017**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIELDS OF LIFE TRUST

## YEAR ENDED 30 JUNE 2017

### Opinion

We have audited the accounts of Fields of Life Trust (the 'charity') for the year ended 30 June 2017 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 30 June 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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

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

- the Trustees use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or

- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to

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Frank Shields FCA

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# Independent Auditor's Report

**For year ended 30 June 2017**

continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

**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.

**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.



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# Independent Auditor's Report

**For year ended 30 June 2017**
**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities, 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.

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.

J L Grant 27.3.18

J L GRANT (Senior Statutory Auditor)
For and on behalf of PKF-FPM ACCOUNTANTS LTD
Chartered Accountants & Statutory Auditor
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# Statement of financial activities (incorporating an income and expenditure account)

**for the year ended 30 June 2017**

| | Note | Unrestricted £ | Restricted £ | Total 2017 £ | Total 2016 £ |
|---|---|---|---|---|---|
| ***Incoming from:*** | | | | | |
| Donations and legacies | 2 | 370,916 | 1,939,587 | 2,310,503 | 1,803,479 |
| Other trading activities | 3 | 105,083 | 131,251 | 236,334 | 147,206 |
| Investment income | 4 | 1,096 | - | 1,096 | 727 |
| ***Total income*** | | 477,095 | 2,070,838 | 2,547,933 | 1,951,412 |
| ***Expenditure on:*** | | | | | |
| Raising funds | 5 | (320,986) | (26,326) | (347,312) | (259,503) |
| Charitable Activities | 6 | (244,175) | (1,793,162) | (2,037,337) | (1,354,487) |
| Other | | (2,709) | - | (2,709) | (2,436) |
| ***Total expenditure*** | | (567,870) | (1,819,488) | (2,387,358) | (1,616,426) |
| ***Net income (expenditure) for the year before transfers*** | | (90,775) | 251,350 | 160,575 | 334,986 |
| ***Transfers between funds*** | | 154,570 | (154,570) | - | - |
| ***Net income (expenditure) for the year after transfers*** | | 63,795 | 96,780 | 160,575 | 334,986 |
| ***Reconciliation of funds*** | | | | | |
| Total funds brought forward | | 127,876 | 714,314 | 842,190 | 507,204 |
| ***Total funds carried forward*** | | 191,671 | 811,094 | 1,002,765 | 842,190 |

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

The notes on pages 14 to 22 form an integral part of these financial statements.

# Balance Sheet

**As at 30 June 2017**

| | Notes | 2017 £ | 2016 £ |
|---|---|---|---|
| ***Fixed assets*** | | | |
| Tangible assets | | - | - |
| ***Current assets*** | | | |
| Debtors | 14 | 139,816 | 101,299 |
| Cash at bank and in hand | | 882,596 | 757,147 |
| | | 1,022,412 | 858,446 |
| ***Creditors:*** amounts falling due within one year | 14 | (19,647) | (16,256) |
| ***Net current assets*** | | 1,002,765 | 842,190 |
| Total assets less current liabilities | | **1,002,765** | **842,190** |
| ***The funds of the charity:*** | | | |
| Restricted funds | 16 | 811,094 | 714,314 |
| Unrestricted funds | 16 | 191,671 | 127,876 |
| ***Total charity funds*** | | **1,002,765** | **842,190** |

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 financial statements were approved by the Board on 27th March 2018 and signed on its behalf:

Mr Maurice Donaldson
Director

Company Registration Number: NI30695

The notes on pages 14 to 22 form an integral part of these financial statements.

# Statement of cashflows

**for the year ended 30 June 2017**

| | Notes | 2017 £ | 2016 £ |
|---|---|---|---|
| ***Cash (used) received in operating activities*** | 19 | 124,353 | 301,650 |
| ***Cash flows from investing activities*** | | | |
| Interest received | | 1,096 | 727 |
| Payments to acquire fixed assets | | - | - |
| ***Net cash flow from investing activities*** | | 1,096 | 727 |
| ***Cash flows from financing activities*** | | | |
| Interest paid | | - | - |
| ***Net cash flow from financing activities*** | | - | - |
| Increase (decrease) in cash and cash equivalents in the year | | 125,449 | 302,377 |
| Cash and cash equivalents at beginning of period | | 757,147 | 454,770 |
| ***Cash and cash equivalents at end of period*** | | ***882,596*** | ***757,147*** |

The notes on pages 14 to 22 form an integral part of these financial statements.

# Notes to the financial statements

**For the year ended 30 June 2017**

## 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 2016) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

***(ii) Reconciliation with previous Generally Accepted Accounting Practice***

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatements were required and as such a reconciliation of opening balances is not required.

***(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.

***(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 30 June 2017**

***(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:

| | |
|---|---|
| Office Equipment | 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) 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 is applied to charitable purposes only.

# Notes to the financial statements

**For the year ended 30 June 2017**

## Status

The company has obtained charitable status with HMRC, reference number XR 18278 and is limited by guarantee not having a share capital. The company completed the process of being registered with the Northern Ireland charity commission in May 2017 and was issued with the Charity Number NIC104839.

## 2. Income from Donations and Legacies

| | *Unrestricted* £ | *Restricted* £ | *Total 2017* £ | *Total 2016* £ |
|---|---|---|---|---|
| General Donations | 181,129 | - | 181,129 | 37,035 |
| Loose Collections | 107 | - | 107 | - |
| Legacies and Bequests | - | - | - | 1,000 |
| Gift Aid on Donations | 116,819 | - | 116,819 | 105,990 |
| Child sponsorship | - | 568,008 | 568,008 | 520,954 |
| Gifts of Life | - | 12,572 | 12,572 | 9,536 |
| Teams | - | 175,589 | 175,589 | 187,865 |
| School Infrastructure | - | 763,177 | 763,177 | 235,400 |
| School Running | - | 77,494 | 77,494 | 108,502 |
| Christian Education | - | 15,000 | 15,000 | 5,963 |
| Water | - | 272,260 | 272,260 | 412,073 |
| Income for Administration | 61,486 | - | 61,486 | 127,114 |
| Benefit in Kind | 11,375 | - | 11,375 | 10,541 |
| Health Education | - | 55,487 | 55,487 | 41,506 |
| ***Total income from donations and legacies*** | 370,916 | 1,939,587 | 2,310,503 | 1,803,479 |

Of the £1,803,479 received by the charity in the 12 Months period ended 30 June 2016, £366,842 was unrestricted funds and £1,466,637 was restricted funds.

## 3. Income from other trading activities

| | *Total Unrestricted* £ | *Restricted* £ | *2017* £ | *Total 2016* £ |
|---|---|---|---|---|
| Charity Shop Income | 105,083 | - | 105,083 | 100,490 |
| Fundraising Events & Appeals | - | 131,251 | 131,251 | 46,716 |
| ***Total income from other activities*** | 105,083 | 131,251 | 236,334 | 147,206 |

Of the £147,206 received by the charity in the 12 months period ended 30 June 2016, £101,204 was unrestricted funds and £46,002 was restricted funds.

## 4. Investment Income

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

# Notes to the financial statements

**For the year ended 30 June 2017**

## 5. Cost of raising funds

| | Note | Unrestricted £ | Restricted £ | Total 2017 £ | Total 2016 £ |
|---|---|---|---|---|---|
| Cost of Generating Voluntary Income | | - | 26,326 | 26,326 | 37,357 |
| Charity Shop Costs | | 65,876 | - | 65,876 | 56,514 |
| Newtownards Charity Shop Set up costs | | - | - | - | 13,692 |
| Support costs allocated to raising funds | 8 | 255,110 | - | 255,110 | 151,940 |
| ***Total costs of raising funds*** | | 320,986 | 26,326 | 347,312 | 259,503 |

Of the £259,503 paid by the charity in 12 Months period ended 30 June 2016, £224,999 was unrestricted funds and £34,504 was restricted funds.

## 6. Analysis of expenditure on charitable activities

| | Note | Unrestricted £ | Restricted £ | Total 2017 £ | Total 2016 £ |
|---|---|---|---|---|---|
| Child sponsorship | | - | 473,818 | 473,818 | 450,968 |
| Gifts of Life | | 15,000 | 18,812 | 33,812 | 6,800 |
| Water | | - | 402,430 | 402,430 | 330,604 |
| Teams in-country costs | | - | 132,431 | 132,431 | 35,805 |
| School Infrastructure | | 26,169 | 568,490 | 594,659 | 115,301 |
| Other Charitable Activities | | - | - | - | - |
| General Funds | | 10,000 | - | 10,000 | 21,984 |
| School Running | | - | 56,703 | 56,703 | 50,358 |
| Christian Education | | - | 13,860 | 13,860 | 7,643 |
| Health Education | | - | 69,625 | 69,625 | 23,779 |
| Emergency Appeal | | - | 13,613 | 13,613 | 10,000 |
| Team Travel | | - | 43,380 | 43,380 | 81,130 |
| Support costs allocated to activities | 8 | 169,340 | - | 169,340 | 196,206 |
| Governance costs allocated to activities | 8 | 23,666 | - | 23,666 | 23,910 |
| ***Total expenditure on charitable activities*** | | 244,175 | 1,793,162 | 2,037,337 | 1,354,487 |

Of the £1,354,487 paid by the charity in 12 Months period ended 30 June 2016, £273,866 was unrestricted funds and £1,080,621 was restricted funds.

Team Travel: Each year Fields of Life commission and send several teams to travel to East Africa to work on various projects. The related travel expenses are paid directly by respective teams and administered through the Fields of Life NI office.

## 7. 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 note 8) 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 30 June 2017**

## 8. Analysis of governance and support Costs

### Governance Costs

| | *Unrestricted Funds* £ | *Restricted Funds* £ | *Total 2017* £ | *Total 2016* £ |
|---|---|---|---|---|
| Audit fees | 3,420 | - | 3,420 | 3,420 |
| Legal Fees | 4,851 | - | 4,851 | 6,610 |
| Support Costs | 15,395 | - | 14,996 | 13,880 |
| ***Total*** | 23,666 | - | 23,666 | 23,910 |

### Support Costs

| | *Raising Funds* £ | *Charitable Activities* £ | *Governance Costs* £ | *Total Funds 2017* £ | *Total Funds 2016* £ |
|---|---|---|---|---|---|
| Insurance | 15,686 | 10,412 | 947 | 27,045 | 28,681 |
| Depreciation | - | - | - | - | 236 |
| Staff Costs | 171,281 | 113,695 | 10,336 | 295,312 | 242,176 |
| Other Staff Costs | 32,373 | 21,489 | 1,954 | 55,816 | 32,009 |
| Printing Stationery and Postage | 10,552 | 7,004 | 637 | 18,193 | 20,089 |
| IT Support | 2,635 | 1,749 | 159 | 4,543 | 11,511 |
| Equipment | 5,455 | 3,621 | 329 | 9,405 | 1,546 |
| Vehicles | 2,918 | 1,937 | 176 | 5,031 | 3,001 |
| Other Professional fees | 8,621 | 5,722 | 520 | 14,863 | 9,958 |
| Subscriptions | 477 | 316 | 29 | 822 | 1,904 |
| Advertising | - | - | - | - | 2,221 |
| Rent | 3,791 | 2,516 | 229 | 6,536 | 5,447 |
| Telephone | 1,321 | 879 | 79 | 2,279 | 2,834 |
| General Costs | - | - | - | - | 413 |
| Total | 255,110 | 169,340 | 15,395 | 439,845 | 362,026 |

## 9. Analysis of Staff Costs, Trustee remuneration and expenses, and the cost of key management personnel

| | *2017* £ | *2016* £ |
|---|---|---|
| Wages and Salaries | 193,377 | 168,800 |
| Charity Shops | 33,324 | 28,810 |
| Pensions | 27,786 | - |
| Social security costs | 72,762 | 73,375 |
| | 327,249 | 270,985 |

The charity Trustees were not paid or received any other benefits from employment with the charity in the year (2017: £nil) neither were they reimbursed expenses during the year (2017: £nil). No charity Trustee received payment for professional or other services supplied to the charity (2017: £nil).

# Notes to the financial statements

**For the year ended 30 June 2017**

The employee benefits of the key management personnel of the charity were £49,500 (2016: £47,500).

Please note that there are salary costs for a full year towards the position of Head of Fundraising & Development Great Britain and 1 month towards a Churches & Schools Officer, Great Britain. These positions going forward are being transferred to Fields of Ltd GB Limited.

The Trustees also approved backdated employer pension contributions to 1st January 2016 as part of the company setting up an auto enroll pension scheme and therefore the costs are higher than normal within this year.

## 10. Staff numbers

| | *2017 Number* | *2016 Number* |
|---|---|---|
| Average monthly number of full time equivalents employed by the company during the year: | 16 | 14 |

Please note that included within staff figures are 5 part-time charity retail staff and 2 staff relating to Fields of Life GB Limited.

## 11. Related party transactions

None of the Trustees receive remuneration or 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 – Fields of Life Uganda. The company is registered in Uganda as a Company limited by guarantee not having a share capital. The Board consists of local professionals and 2 international Directors.

Fields of Life Uganda receives funds from Fields of Life NI and Fields of Life ROI. Total funding transferred to Uganda from NI was £1,638,842 Fields of Life NI also supported a number of other partners in other countries including Burundi and South Sudan with transfers in the financial year totalling £128,804.

# Notes to the financial statements

**For the year ended 30 June 2017**

## 12. Tangible fixed assets

| | *Office Equipment* £ | *Total* £ |
|---|---|---|
| *Cost* | | |
| Balance at 1 July 2016 | 944 | 944 |
| Additions | - | - |
| Balance at 30 June 2017 | 944 | 944 |
| *Accumulated Depreciation* | | |
| Balance at 1 July 2016 | 944 | 944 |
| Charge for the year | - | - |
| Balance at 30 June 2017 | 944 | 944 |
| Net book value at 30 June 2017 | - | - |
| Net book value at 30 June 2016 | - | - |

## 13. Debtors and prepayments

| | *2017* £ | *2016* £ |
|---|---|---|
| Other debtors | 139,816 | 101,299 |
| | 136,816 | 101,299 |

## 14. Creditors: amounts falling due within one year

| | *2017* £ | *2016* £ |
|---|---|---|
| Other accruals | 19,647 | 16,256 |
| | 19,647 | 16,256 |

## 15. Analysis of charitable funds

### Analysis of movements in unrestricted funds

| | *Balance at 30.06.2016* £ | *Incoming Funds* £ | *Amounts Expended* £ | *Transfers In* £ | *Transfers Out* £ | *Balance at 30.06.2017* £ |
|---|---|---|---|---|---|---|
| Charity Shop | 11,184 | 105,083 | (66,076) | - | (38,020) | 12,171 |
| General fund | 116,692 | 372,012 | (501,794) | 260,219 | (67,629) | 179,500 |
| | 127,876 | 477,095 | (567,870) | 260,219 | (105,649) | 191,671 |

| **Name of unrestricted Fund** | **Description, nature and purposes of fund** |
|---|---|
| General fund | "Free reserves" after allowing for all designated funds |

# Notes to the financial statements

**For the year ended 30 June 2017**

## Analysis of movements in restricted funds

| | *Balance at 30.06.16* £ | *Incoming Funds* £ | *Amounts Expended* £ | *Transfers In* £ | *Transfers Out* £ | *Balance at 30.06.17* £ |
|---|---|---|---|---|---|---|
| Child Sponsorship | 229,079 | 568,008 | (473,818) | 11,520 | (53,981) | 280,808 |
| Gifts of Life | 1,164 | 12,572 | (18,812) | 24,240 | (1,257) | 17,907 |
| Schools / Team Fund | 296,058 | 1,016,259 | (801,003) | 13,721 | (108,272) | 416,763 |
| Christian Education | - | 15,000 | (13,860) | 360 | (1,500) | - |
| Water | 164,936 | 272,260 | (402,430) | 6,500 | (27,226) | 14,040 |
| Health Education | 21,578 | 55,487 | (69,625) | - | (5,549) | 1,891 |
| Fundraising | 1,498 | 131,251 | (39,939) | - | (13,125) | 79,685 |
| | 714,314 | 2,070,839 | (1,819,488) | 56,341 | (210,911) | 811,094 |

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

**Child Sponsorship**: The child sponsorship fund represents donations received to help support children through primary and secondary education and in some case tertiary level education.

**Gifts of Life**: This fund represents money donated which the charity uses to support agricultural and enterprise initiatives at certain supported school projects in addition to providing schools with gifts such as bicycles, bibles and educational materials.

**Schools Infrastructure/Programme and Team Fund**: The schools/team fund represents donations received to help build, complete or support running costs of schools. This money is raised either by a team or individuals and used to carry out specific projects. Fields of Life specify the projects i.e. school builds, teacher accommodation, kitchens or painting of a school. This fund also consists of money raised by teams to cover any expenses incurred during their stay at their chosen project including accommodation, food and travel to and from the project.

**Water**: The water fund supports mainly borehole drilling projects and rehabilitations as well as other initiatives such as rain water harvesting systems. The programme also includes a community health focus whereby water and sanitation committees (WSC'S) are set up to ensure that the boreholes are managed and maintained by local community representatives who are briefed and trained on community and public health awareness to prevent and reduce the incidence of disease.

**Health Education**: A schools' health programme is now running in 48 schools in Uganda with a focus on personal & food hygiene, menstrual management, sexual health and sanitation and hygiene. The programme is a preventative programme aiming to promote better health through education. Importantly, a child protection training programme has now been rolled out to improve awareness and reduce children being at risk from abuse.

**Christian Education**: Given Fields of Life supports church partners in delivering quality education through school infrastructure and programming, there is some resource and support provided to the school and church leaders to enable them to develop their Christian Education programmes with provision of training and materials. A Christian life skills course entitled 'Living Well' has been developed for use by partners in seeking to encourage building resilience and critical thinking in African young people as well as practically applying faith within their context.

# Notes to the financial statements

**For the year ended 30 June 2017**

## 16. Income attributed to unrestricted funds.

Fields of Life's current model of funding it's cost base is as follows:

- The receipt of benefit in kind office accommodation for the Northern Ireland
- a 10% Administration levy is deducted from all gifts and allocated towards the running costs of the organisation.
- Any balance remaining is funded partially from gift aid which is considered unrestricted funding.

## 17. Summary of net assets by fund

| | Unrestricted £ | Restricted £ | Total 2017 £ |
|---|---|---|---|
| Fixed Assets | - | - | - |
| Current Assets | 191,671 | 811,094 | 1,002,765 |
| Net assets | 191,671 | 811,094 | 1,002,765 |

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

| | *2017* £ | *2016* £ |
|---|---|---|
| Net movement in funds | 160,575 | 334,986 |
| Depreciation charge | - | 236 |
| Interest charge | - | - |
| Interest income shown in investing activities | (1,096) | (727) |
| Decrease (increase) in debtors | (38,517) | (25,180) |
| Increase (decrease) in creditors | 3,391 | (7,665) |
| Net cash (used) received in operating activities | 124,353 | 301,650 |