

Reg. CC.

Registered charity number
1069256

Registered company number
03442679

ComputerAid International

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the year ended 31 March 2018

**ComputerAid International
Report and Financial Statements
Contents**

	Page
Report of the trustees	1-6
Legal and administrative information	7
Independent auditor's report	8-10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes forming part of the financial statements	14-23

ComputerAid International (a company limited by guarantee)

Trustees' Annual Report (Incorporating the Directors' Report) for the Year Ended 31 March 2018

The trustees present their annual report and financial statements of the charity for the year ended 31 March 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011, the Companies Act 2006, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Chair's Report

During the 2017/18 financial year the trustees continued to oversee the working arrangements with our Manchester based partner company, Tier 1 Asset Management, to collect, refurbish and dispatch our donated equipment. The relationship has ensured that ComputerAid is able to offer a professional asset disposal service that ensures complete data security and sustainable recycling to companies and others donating equipment. The disposal service is fully compliant with the provisions of the GDPR, which came into force in May 2018. Without the restructuring these changes necessitated, ComputerAid would have been unable to meet the stringent requirements that many donor companies demand for the disposal of their electronic equipment.

The change in our business model and ensuring complete data security inevitably involved some cost, particularly providing ADISA based transport for asset collection. This has made small collections uneconomic, and our strategy concentrates on attracting donations and contracts from larger companies. However, we now offer a much-improved IT disposal service and the quality of our refurbished equipment is very high. Reports from all our recipient partners in the UK and overseas have been extremely positive.

We have also sought to show how companies working with ComputerAid are able to additionally achieve their CSR and environmental objectives.

During the year we have sought to improve our infrastructure by moving to a cloud-based IT system and through developing the use of Salesforce as our customer relationship system. We have also invested in marketing with the appointment of a new marketing officer. A grant was received from Transform Org to redevelop our web site, which was undertaken with the assistance of Raising IT. The move to co-working offices in November 2016 has been very positive and we extended our contract in April 2018 with Work Life for a further 18-month period.

Using IT to improve the lives of disadvantaged people is ComputerAid's core mission and we have sought to both extend and diversify our project work. In doing so we are particularly ensuring that we measure the impact of the work we do both in the UK and overseas. The trustees have continually reviewed our program and fundraising activities.

I became chair of the trustees following the resignation in March 2018 of Richard Litchfield who had served as a trustee for many years and who had played an active role both as Treasurer and Chair. On behalf of the Board I would like to thank Richard for the major contribution he made to the development of ComputerAid. I would also like to thank all those companies, organisations and individuals who have donated equipment during the year and our staff and trustees for the work they do. Our partners overseas in so many countries, with our help, are changing lives for the better.

Stephane Reissfelder, Chair

ComputerAid International (a company limited by guarantee)

Trustees' Annual Report (Incorporating the Directors' Report) for the Year Ended 31 March 2018

Objectives and Activities

Objectives

The charity's objectives are to promote all or any purposes which are deemed charitable in law, particularly but not exclusively by facilitating the recycling and distribution of information technology equipment and training to various parts of the world where it is needed and can be used to benefit the community. ComputerAid seeks to promote poverty alleviation, improve education and health and overcome disadvantage through the use of ICT.

Achievements and performance

Given the major changes to our business model introduced in late 2016 and the investment this required, the Board agreed that the priority for 2017/18 must be increasing income with a view to achieve at least break-even by the year end. The Board wanted ComputerAid to be less reliant on the income from the sale of hardware and to diversify its income sources, particularly through its project-based work. This involved adopting a more strategic approach to our project activities and developing an impact-based approach. We sought to develop new partnerships to allow us to improve the quality of our work. Thus, the relationship with ICDL has enabled us to ensure that our ICT training provides internationally recognized qualifications for our beneficiaries. Coding has also become an important part of the training we offer.

We have deliberately chosen to concentrate much of our project work on a limited number of countries in Africa in order to improve our impact measurement over time. Our office in Nairobi Kenya has once again become the hub for our African activities and new partnerships are being forged in Kenya. In South Africa our partner organization, ComputerAid SA, has a new board of trustees and a number of project activities are being planned. During the year we commissioned seven ZubaBoxes from our supplier in Cape Town for deployment in South Africa, Kenya, Morocco and Sierra Leone. In Latin America we have built our first ZubaBox in Mexico working with a new partner specializing in robotics.

Fundraising has continued its thematic approach around core innovative areas of ICT development and the sustainable development goals agreed by the UN. Our fundraising activities bore fruit and some £553k of project income was raised compared to our budget target of £392k.

The donation of computers and ICT equipment is at a consistent level and we continue to work with a number of major companies. However, it is now uneconomic for us to collect small donations, which were a significant feature of our work previously. We have also increased our minimum specification for computers that can be reused to i3 series and above. As a result, we no longer collect for possible reuse dual core machines, and this has impacted on the level of donations. This change has been made due to the demands of modern software and to ensure the longevity of the machines we provide for our partners. During the year we had a total of 6,902 assets donated of which 4,408 machines were reusable. The donation of TFTs has largely kept pace with our needs.

During the course of the year ComputerAid continued to seek to reduce its cost base and overheads and to improve efficiency while still meeting our charitable objectives and providing an excellent service for beneficiaries.

ComputerAid International (a company limited by guarantee)

Trustees' Annual Report (Incorporating the Directors' Report) for the Year Ended 31 March 2018

Financial Review

Our net movement in funds for the year was a surplus of £3,740. The reserves at 31 March 2018 stood at a deficit of £56,545, which is made up of unrestricted reserves.

Donations and grants

Various grants and donations are recorded in the accounts from individuals, corporates and trusts, the majority of which was restricted project-based income.

Investment policy and performance

The trustees have not formulated an investment policy since annual income is used to cover annual expenses incurred.

Risk management

The trustees recognize the importance of risk management within the framework of governance and internal control. The trustees review its risk register at each meeting and agree action to mitigate risks. Its risk management policy includes

- A regular review of risks and updating of the risk register
- Systems and procedures to mitigate those risks identified in the review
- Action designed to minimize any potential impact on the charity should any of the risks materialise.

Principal funding sources

The charity's principal source of income is no longer from the sale, on a not for profit basis, of donated ICT equipment to partners and beneficiaries overseas. Instead, during the last twelve months grants from corporates, foundations and trusts have been an increasing source of income accounting for some 48% of income.

Reserves policy

To protect our work against financial and seasonal demand fluctuations, the trustees aim to hold unrestricted funds sufficient to meet 12 weeks of expenditure although this was not possible to maintain throughout the year. Reserves allow us to make long-term commitments to projects and to accept larger orders of equipment from beneficiaries with confidence. This need is balanced against a wish not to hold more funds than required so that we can maximize the amount of resources available to support our charitable objectives. At 31 March 2018 the charity held a deficit on reserves.

Plans for Future Periods

Further integration of our PC donations work is planned with Tier 1 to provide an enhanced service for donors, including the booking of collections online. Improvements will continue to be made to our internal processes with the further introduction of Cloud based systems. Our revised web site, with greater focus on digital and social marketing, will provide new opportunities for fundraising. Expansion of our partner network is anticipated and the ZubaBox will be made and deployed in a new country where we have not worked before. We are planning to scale-up our digital schools

ComputerAid International (a company limited by guarantee)

Trustees' Annual Report (Incorporating the Directors' Report) for the Year Ended 31 March 2018

projects to a larger number of schools and will be developing partnerships with a solar-based enterprise to overcome the inevitable energy deficiencies.

Structure, Governance and Management

Governing document

The organization is a charitable company limited by guarantee, incorporated in October 1997 and registered as a charity on 22 April 1998. The charitable company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

Organisational structure

The chief executive is responsible for the day-to-day management of the charity, assisted by four managers and support staff. Following the restructuring, the total number of staff is eight in the London office.

Decision-making

Responsibility for the charity's activities and strategic oversight rests with the Board of Directors, which has continued to meet every two months. The Board sets the annual budget and measures Performance against the key performance indicators. The Board has one sub-committee, the Finance and General Purposes Committee, which also meets every two months. The chief executive reports to the Board.

The Board has recognized the importance of ensuring proper safeguarding arrangements are in place in all its work and of those of its suppliers and partners, both in the UK and overseas. The Board, therefore, agreed a safeguarding policy statement and new child protection and vulnerable adults' policies. A policy document on data privacy and GDPR was also agreed.

Recruitment and appointment of trustees

The directors of the charitable company are its trustees for the purpose of charity law. The appointment of new directors is the responsibility of the Board. All trustees give their time freely and no trustee remuneration is paid. Trustees are required to disclose all relevant interests and register them with the chief executive and withdraw from decisions where a conflict of interest arises. During the year the trustees agreed that attempts should be made to recruit new trustees to replace long serving members and to improve diversity amongst their membership.

Trustee induction and training

New trustees are expected to spend time with the senior management to familiarize themselves with the workings of the organisation, its finances and related issues. They receive copies of the governing documents and a set of the latest accounts and the Charity Commission's guidance on the duties of a trustee. Senior staffs attend trustee meetings and report on developments and issues.

ComputerAid International (a company limited by guarantee)

Trustees' Annual Report (Incorporating the Directors' Report) for the Year Ended 31 March 2018

Staff remuneration policy

Although all staff salaries are subject to yearly review this does not guarantee a pay rise and there is no contractual right for an annual pay rise.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit and that the activities carried out by the charity during the year were all undertaken in order to further the charity's aims for the benefit of the Charity's beneficiaries.

Trustees' Responsibilities in Relation to the Financial Statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them
- Observe the methods and principles in the Charities SORP
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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 company's auditor is unaware

ComputerAid International (a company limited by guarantee)

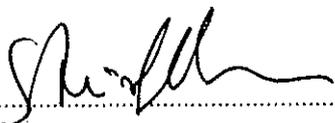
**Trustees' Annual Report (Incorporating the Directors' Report) for the Year Ended
31 March 2018**

- The trustees, having made enquiries of fellow directors and the company's auditor that they ought to have individually taken, 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

A resolution proposing the re-appointment of Cobb Burgin as auditors to the company will be put to the annual general meeting.

Approved by board of Trustees on *17 - December* -2018 and signed on its behalf by:



.....

S M Reissfelder
Chair

**ComputerAid International
Legal and Administrative Information**

Reference and administrative information

Charity name: ComputerAid International
Charity registration number: 1069256
Company registration number: 03442679
Registered office and operational address: 1e Mentmore Terrace
London
E8 3DQ

Directors and Trustees

S M Reissfelder, Chair (from 28 November 2017)
D Dearlove
M W Mukasa
N B Wager
A Minter
O M Style
R D Hill
R G Litchfield, Chair (until 28 November 2017)
R J Heath
S W Furse
Appointed 28 September 2017
Appointed 20 November 2018
Resigned 26 July 2018
Resigned 26 March 2018
Resigned 31 December 2017
Resigned 25 July 2017

Company Secretary

D Dearlove

Chief Executive Officer

K R Sonnet

Auditors

Cobb Burgin
Chartered Accountants and Statutory Auditors
129a Middleton Boulevard
Wollaton Park
Nottingham
NG8 1FW

Bankers

Lloyds Bank plc
31-33 Holloway Road
London
N7 8JU

ComputerAid International

Report of the Independent Auditors to the Members of ComputerAid International

Opinion

We have audited the financial statements of ComputerAid International (the 'charitable company') for the year ended 31 March 2018 which comprise statement of Financial Activities (including Income and Expenditure Account), the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018, 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

ComputerAid International

Report of the Independent Auditors to the Members of ComputerAid International

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors report) for the financial year to which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

ComputerAid International

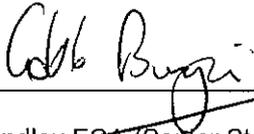
Report of the Independent Auditors to the Members of ComputerAid International

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our auditor's report.

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

Use of our 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. 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.



Philip Handley FCA (Senior Statutory Auditor)

for and on behalf of Cobb Burgin
Chartered Accountants and Statutory Auditor
129a Middleton Boulevard
Wollaton Park
Nottingham
NG8 1FW

21st Dec 2013

**ComputerAid International
Statement of Financial Activities
(Incorporating Income and Expenditure Account)
For the year ended 31 March 2018**

	Notes	2018		2017		
		Restricted £	Unrestricted £	Restricted £	Unrestricted £	Total £
Income and endowments from						
Donations and legacies	2	-	198,182	-	398,609	398,609
Charitable activities	3	553,366	394,921	333,637	431,340	764,977
Other trading activities	4	-	3,584	-	667	667
Investment	5	-	-	-	63,410	63,410
Other		-	3,000	-	36,005	36,005
Total income		553,366	599,687	333,637	930,031	1,263,668
Expenditure on						
Raising funds	6	-	64,492	-	35,709	35,709
Charitable activities	7	363,124	721,697	333,637	1,066,284	1,399,921
Total expenditure		363,124	786,189	333,637	1,101,993	1,435,630
Net income/(expenditure) for the year	10	190,242	(186,502)	-	(171,962)	(171,962)
Transfers between funds		(190,242)	190,242	-	-	-
Net movement in funds		-	3,740	-	(171,962)	(171,962)
Reconciliation of funds:						
Fund balances at 1 April 2017		-	(60,285)	-	111,677	111,677
Fund balances at 31 March 2018	20	-	(56,545)	-	(60,285)	(60,285)

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

ComputerAid International
Registered Number: 03442679
Balance Sheet
as at 31 March 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	14	968	1,292
Investments	15	34	100
		<u>1,002</u>	<u>1,392</u>
Current assets			
Stocks	16	12,630	15,695
Debtors	17	157,353	177,506
Cash at bank and in hand		94,550	165,863
		<u>264,533</u>	<u>359,064</u>
Creditors: amounts falling due within one year	18	<u>322,080</u>	<u>420,741</u>
Net current liabilities		(57,547)	(61,677)
Net liabilities	19	<u>(56,545)</u>	<u>(60,285)</u>
The funds of the charity:	20		
Restricted income funds		<u>-</u>	<u>-</u>
Unrestricted income funds			
Designated funds		1,002	1,392
General funds		(57,547)	(61,677)
Total unrestricted funds		<u>(56,545)</u>	<u>(60,285)</u>
Total funds		<u>(56,545)</u>	<u>(60,285)</u>

The financial statements were approved by the trustees on behalf by:

17 - december 2018, and signed on their



S M Reissfelder
Chair

**ComputerAid International
Statement of Cash Flows
For the year ended 31 March 2018**

	2018 £	2017 £
Net cash used in operating activities:		
Net income/(expenditure) for the year	3,740	(171,962)
Add back depreciation charge	324	2,432
Decrease in stocks	3,065	7,560
Decrease in debtors	20,153	37,490
Increase in creditors	(98,661)	274,614
	<u>(71,379)</u>	<u>150,134</u>
Cash flows from Investing activities:		
Purchase of tangible fixed assets	-	(950)
Acquisition of trade investment	(34)	-
Disposal of subsidiary	100	-
	<u>66</u>	<u>(950)</u>
Cash flows from financing activities:		
Loan funds received	-	44,000
Loan repayments	-	(44,000)
	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the year	(71,313)	149,184
Cash and cash equivalents brought forward	165,863	16,679
Cash and cash equivalents carried forward	<u>94,550</u>	<u>165,863</u>

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

1 Accounting policies

ComputerAid International is a private company, limited by guarantee, registered in England and Wales. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the previous year.

Basis of preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a Public Benefit Entity as defined by FRS 102.

Preparation of the accounts on a going concern basis

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

Group accounts

The accounts contain information about ComputerAid International as an individual company and do not contain consolidated financial information as the parent of a group. The group which the company heads is a small group and the company is not therefore required to prepare consolidated accounts under s399 of the Companies Act 2006.

Funds structure and accounting

The charity maintains the following types of funds:

Restricted funds Restricted grants and donations are available for the charity's use only in accordance with the terms under which, and for the purposes which, the funds were donated to the charity.

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

Designated funds Designated funds are unrestricted funds earmarked by the trustees for particular uses.

Income recognition

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants and donations and is included in full in the statement of financial activities when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated ICT equipment is included at its value to the charity.

Investment income is included when receivable.

The value of services provided to the charity by volunteers has not been recognised in these accounts.

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

1 Accounting policies (continued)

Expenditure recognition and basis of allocation of costs

Expenditure is recognised on an accrual basis as a liability is incurred. Where expenditure includes VAT which can only be partially recovered, the irrecoverable VAT is reported as part of the expenditure to which it relates.

Costs of raising funds comprises the costs associated with attracting grants and donations.

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.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. The expenditure related to the operation of the charity's central services system and central office which cannot be directly allocated are apportioned between the expenditure categories on the basis of the estimated amount of staff time involved in undertaking each activity.

Tangible fixed assets and depreciation

Assets costing less than £500 are expensed. All other assets are capitalised and valued at historic cost less accumulated depreciation. Depreciation is calculated so as to write down to estimated residual value the cost of all other tangible fixed assets over their estimated useful lives as follows:

ICT equipment	25% per annum on reducing balance
Fixtures and fittings	25% per annum on reducing balance

Investments in subsidiaries

These are stated at historic cost.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost includes the value of donated computers and the costs of collection and refurbishment.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

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. Creditors are recognised at their settlement amount after allowing for any trade discounts due.

Leasing

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Realised gains and losses

All realised gains and losses are taken to the statement of financial activities as they arise.

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

1 Accounting policies (continued)

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the schemes.

2 Grants and donations

	Unrestricted £	2018 Total £	2017 Total £
Donations - monetary	12,170	12,170	64,379
Donations - ICT equipment	186,012	186,012	334,230
	<u>198,182</u>	<u>198,182</u>	<u>398,609</u>

3 Income from charitable activities

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Sales of donated ICT equipment	-	235,842	235,842	324,819
Operating system and Office software	-	14,095	14,095	6,580
Collection fees	-	41,048	41,048	46,374
ICT recycling fees	-	51,448	51,448	18,585
Shipping and insurance income	-	40,167	40,167	32,749
Telecoms and cartridge recycling fees	-	2,896	2,896	1,788
ICT peripherals	-	9,425	9,425	445
Project delivery	553,366	-	553,366	333,637
	<u>553,366</u>	<u>394,921</u>	<u>948,287</u>	<u>764,977</u>

4 Income from other trading activities

	Unrestricted £	2018 Total £	2017 Total £
Challenge events	3,584	3,584	667

5 Investment income

	Unrestricted £	2018 Total £	2017 Total £
Donation from trading subsidiary under corporate gift aid	-	-	63,410

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

6 Costs of raising funds

	Unrestricted £	2018 Total £	2017 Total £
Costs of generating donations of ICT equipment	41,119	41,119	17,783
Fundraising costs	2,909	2,909	866
Costs of challenge events	1,979	1,979	335
Staff costs	12,531	12,531	16,725
Subcontracting	5,954	5,954	-
	64,492	64,492	35,709

7 Expenditure on charitable activities

	Note	Restricted £	Unrestricted £	2018 Total £	2017 Total £
ICT equipment collected		-	186,012	186,012	334,230
Shipping and packaging		-	38,862	38,862	59,109
Warehouse and workshop costs		-	-	-	92,983
Insurance		-	1,618	1,618	4,208
Volunteer costs		-	360	360	8,820
Collection of ICT equipment		-	47,805	47,805	83,299
Purchase of ICT equipment		-	45,539	45,539	61,591
International programs		288,729	24,060	312,789	212,249
Off-site production		-	-	-	3,295
Partner refurbishment and recycling costs		-	89,080	89,080	87,018
Partner software licences		-	13,034	13,034	9,712
Staff costs		74,395	96,113	170,508	222,132
Subcontractors		-	2,426	2,426	-
Support costs	8	-	168,270	168,270	207,358
Governance costs	9	-	8,518	8,518	13,917
		363,124	721,697	1,084,821	1,399,921

8 Support costs

	Unrestricted £	2018 Total £	2017 Total £
Staff costs	87,727	87,727	116,171
Transport and travel	6,122	6,122	17,362
Digital and online marketing	-	-	279
General office costs	48,261	48,261	56,148
Repairs and maintenance	-	-	418
Accountancy	13,900	13,900	8,932
Depreciation	324	324	2,432
Other finance costs	-	-	42
Other costs	7,900	7,900	3,564
Bad and doubtful debts	4,036	4,036	2,010
	168,270	168,270	207,358

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

9 Governance costs

	Unrestricted	2018	2017
	£	Total	Total
		£	£
Staff costs	4,870	4,870	7,933
Audit fees	3,648	3,648	4,760
Trustees' indemnity insurance (part of main policy in 2018)	-	-	1,024
Legal and professional advice	-	-	200
	<u>8,518</u>	<u>8,518</u>	<u>13,917</u>

10 Net income/(expenditure) for the year

	2018	2017
	£	£
Is stated after charging:		
Depreciation of tangible fixed assets	324	2,432
Auditor's remuneration	<u>3,648</u>	<u>4,760</u>

11 Staff costs, remuneration of key management personnel, and average staff numbers

	2018	2017
	£	£
Staff costs were as follows		
Salaries	244,694	309,948
Social security costs	24,062	29,739
Pension costs	5,321	5,429
Redundancy pay	1,559	17,846
	<u>275,636</u>	<u>362,962</u>

The charity considers its key management personnel comprise the trustees, the Chief Executive Officer, the Fundraising and Project Delivery Manager, the Marketing Manager, the Partnership Manager (and in 2017, the Operations Manager and the Finance Manager). The total employment benefits of the key management personnel were £123,593 (2017: £174,667).

No employee received employment benefits of more than £60,000 in the year or the preceding year.

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2018	2017
	No.	No.
Chief executive officer	1	1
Management	2	4
Administration and support	5	6
	<u>8</u>	<u>11</u>

The charity operates a defined contribution pension scheme for its employees, and made contributions during the year of £5,334 (2017: £5,429). At 31 March 2018 the charity owed contributions of £1,615 to the scheme (2017 £906).

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

12 Trustee remuneration and expenses

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year or the preceding year, including the payment of remuneration or reimbursement of expenses.

13 Taxation

As a registered charity, ComputerAid International is exempt from tax on income and gains falling within Part 11 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

14 Tangible fixed assets

	Plant & machinery £
Cost	
At 1 April 2017	1,682
At 31 March 2018	<u>1,682</u>
Depreciation	
At 1 April 2017	390
Charge for the year	324
At 31 March 2018	<u>714</u>
Net book values	
At 31 March 2018	968
At 31 March 2017	<u>1,292</u>

There were no capital commitments at 31 March 2018 (2017: Nil).

15 Fixed asset investments

	Subsidiaries £	Other £	Total £
Cost			
At 1 April 2017 - 100 ordinary shares of £1 each	100	-	100
Additions	-	34	34
Disposals	(100)	-	(100)
At 31 March 2018	<u>-</u>	<u>34</u>	<u>34</u>

The charity owned 100% of the issued share capital of Compaid Trading Company Limited, a company incorporated in England. Further information on Compaid Trading Company Limited is given in Note 22 to the accounts. The company was struck off the company register on 14 November 2017 as it was no longer required.

The results of Compaid Trading Company Limited are not consolidated into these accounts.

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

16 Stock	2018	2017
	£	£
ICT equipment	12,630	15,695

17 Debtors	2018	2017
	£	£
Accounts receivable	145,735	114,310
Amounts owed by group undertakings	-	430
Prepayments and accrued income	5,115	21,958
Other debtors	6,503	40,808
	<u>157,353</u>	<u>177,506</u>

18 Creditors: amounts falling due within one year	2018	2017
	£	£
Accounts payable	94,956	97,971
Social security and other taxation	6,896	7,259
Accruals and deferred income	214,004	304,797
Other creditors	6,224	10,714
	<u>322,080</u>	<u>420,741</u>

19 Analysis of net liabilities between funds

	Unrestricted funds			Restricted funds	Total
	General	Designated	Total		
	£	£	£	£	£
Current year					
Fixed assets	-	1,002	1,002	-	1,002
Current assets	86,931	-	86,931	177,602	264,533
Current liabilities	(144,478)	-	(144,478)	(177,602)	(322,080)
	<u>(57,547)</u>	<u>1,002</u>	<u>(56,545)</u>	<u>-</u>	<u>(56,545)</u>
Prior year					
Fixed assets	-	1,392	1,392	-	1,392
Current assets	69,772	-	69,772	289,292	359,064
Current liabilities	(131,449)	-	(131,449)	(289,292)	(420,741)
	<u>(61,677)</u>	<u>1,392</u>	<u>(60,285)</u>	<u>-</u>	<u>(60,285)</u>

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

20 Movement in funds

	At 1 April 17 £	Income £	Expenditure £	Transfers £	At 31 March 18 £
Current year					
Restricted funds					
Capacity building projects	-	553,366	(363,124)	(190,242)	-
Unrestricted funds					
Designated fund - tangible fixed asset fund	1,292	-	-	(324)	968
Designated fund - investments fund	100	-	-	(66)	34
	1,392	-	-	(390)	1,002
General fund	(61,677)	599,687	(786,189)	190,632	(57,547)
Total unrestricted funds	(60,285)	599,687	(786,189)	190,242	(56,545)
Total funds	(60,285)	1,153,053	(1,149,313)	-	(56,545)
Prior year					
Restricted funds					
Capacity building projects	-	333,637	(333,637)	-	-
Unrestricted funds					
Designated fund - tangible fixed asset fund	2,774	-	-	(1,482)	1,292
Designated fund - investments fund	100	-	-	-	100
	2,874	-	-	(1,482)	1,392
General fund	108,803	930,031	(1,101,993)	1,482	(61,677)
Total unrestricted funds	111,677	930,031	(1,101,993)	-	(60,285)
Total funds	111,677	1,263,668	(1,435,630)	-	(60,285)

Restricted funds

The charity delivered a number of capacity building projects during the year, providing training, technical support, building work and other infrastructure requirements to ensure the effective utilisation of ICT equipment to achieve program objectives.

Designated funds

The tangible fixed assets and investments funds represent the net book value of tangible fixed assets and cost of investments in subsidiaries and associated undertakings respectively, and are designated by the trustees to reflect the fact that these funds are not in a liquid form and so are not expendable funds.

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

21 Commitments in respect of property licence/lease

	2018 £	2017 £
At 31 March 2018 the Charity had future minimum lease payments under non-cancellable operating leases as follows:		
Not later than one year	3,520	42,192
Later than one year and not later than five years	-	3,520
	<u>3,520</u>	<u>45,712</u>

22 Transactions with related parties

The charity's UK subsidiary, Compaid Trading Company Limited (see Note 15), was a trading company selling donated ICT equipment. Profits arising in Compaid Trading Company Limited were donated to the charity under corporate gift aid. The results of Compaid Trading Limited for the year ended 31 March 2018 and its financial position as at that date were as follows:

	2018 £	2017 £
Profit and loss account		
Turnover	-	66,075
Operating costs	-	2,665
Donation under corporate gift aid (Nil outstanding at either year end)	-	63,410
Result for the year	<u>-</u>	<u>-</u>
Balance sheet		
Cash at bank	<u>-</u>	537
Creditors: amounts falling due within on year:		
Parent undertaking	-	430
Other	-	7
	<u>-</u>	<u>437</u>
Net assets	<u>-</u>	100
Share capital	<u>-</u>	100

Compaid Trading Company Limited ceased trading on 31 March 2017. The company was no longer required and was struck off the register of companies on 14 November 2017.

The charity has registered a branch office in Kenya in order to carry out its charitable activities there. The branch registration number is F. 84/2005. The Kenyan branch prepares its own accounts locally, and the results of the branch for the year ended 31 March 2018 and its financial position as at that date were as follows:

ComputerAid International
Notes to the Financial Statements
For the year ended 31 March 2018

22 Transactions with related parties (continued)

	2018	2017
	KES	KES
Profit and loss account		
Income	1,222,190	1,077,765
Operating costs	1,222,190	1,077,765
Result for the year	<u>-</u>	<u>-</u>
Balance sheet		
Investments	<u>4,600</u>	-
Debtors	150,000	150,000
Cash at bank	215,138	3,686
	<u>365,138</u>	<u>153,686</u>
Creditors: amounts falling due within one year	<u>369,738</u>	<u>153,686</u>
Net assets	<u>-</u>	<u>-</u>

The charity provided grant funding to the Kenyan branch during the year amounting to KES 1,218,786 (2017: KES 1,077,765). At 31 March 2018, the charity owed KES 238,738 (2017: KES 37,686) to the Kenyan branch.

The results of the Kenyan branch are not consolidated into these accounts.

The charity maintained indemnity insurance on behalf of the trustees during the year.