

Company registration number: NI619072

Charity registration number: NIC100040

Actions Not Words

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

TB Millar & Co
6 Doagh Road
Ballyclare
Co Antrim
BT39 9BG

Actions Not Words

Contents

Trustees' Report	1 to 4
Statement of Trustees' Responsibilities	5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 15

Actions Not Words

Trustees' Report

Reference and Administrative Details

Trustees: Mr Maurice Glenn Floyd
Mrs Lyndsay Bradley
Mr Jeffrey Brian Neill
Mr Ivan Major
Mrs Ruth Wilson (appointed 6 January 2023)

Principal Office: 54 Lisnabreeny Road
Belfast
BT6 9SR

Company Registration Number: NI619072

Charity Registration Number: 100040

Independent Examiner: TB Millar & Co
6 Doagh Road
Ballyclare
Co Antrim
BT39 9BG

The Trustees present their report and Audited Financial Statements for the year ended 31 December 2022. The Trustees confirm that they comply with the requirements of the Charities Act (Northern Ireland) 2008, The Charities (Annual Return) Regulations (Northern Ireland) 2015 and Accounting and Reporting by Charities: Statement of Recommended Practice which applies to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The Trustees

The Trustees who served the Charity during the year were as follows:

Maurice Glenn Floyd

Lyndsay Bradley

Jeffrey Brian Neill

Ivan Major

Ruth Wilson

Structure, Governance and Management

The Trustees are responsible for the overall governance of the Charity.

Statement of Compliance

In planning our activities for the year the Trustees have given careful consideration to the Charity Commission for Northern Ireland's guidance on public benefit to ensure that the activities have helped to achieve the Charity's purposes and provide a benefit to the beneficiaries.

Actions Not Words

Trustees' Report

Purposes

The purpose of the Charity is the provision of opportunities for children, the relief of poverty and the provision of private education to those in need from the Goto Garbage Slum, Nairobi, Kenya.

Results

The Financial Statements show a deficit of £70,784. The deficit was due to a one off transfer of property to the Actions Not Words Foundation, the Kenyan NGO set up to carry out the Charity's commitments in Kenya.

Status

The Charity has been accepted as a charity by HMRC under reference NIC100040 and as such no provision for taxation has been made. The Trustees of the Charity are also Directors of the Limited Company for the purposes of the Companies Act 2006.

Public Benefit

The overall objective of the trust is the relief of poverty and the advancement of education in Kenya.

The Charity provides a direct public benefit to the underprivileged children from the Goto Garbage Slum, outside Nairobi in Kenya.

Children are provided with regular meals, clothing, safe place to live and a quality education.

The objectives will be met by:

1. Sponsoring needy children to attend private boarding schools where they will receive quality education.
2. Sponsoring young adults who qualify from our boarding school program to College.
3. Develop job opportunities for unemployed adults through providing basic business advice.
4. Develop and improve the quality of education of government schools through partnerships and providing free training for teachers.
5. The development of land purchased and building of a children's home to house and care for orphans.

The benefit arising from the programs is clear and evident. Sponsored children are consistently performing at high levels in municipality examinations, moving to higher level education.

The beneficiaries from the Charity's purposes are clearly the children of the Goto Garbage Slum, other family members and adults from the area.

There is no harm arising from our charitable purposes.

Risk Management

The trustees have considered the risks to which the charity is exposed and, where appropriate, systems have been established to mitigate those risks.

Actions Not Words

Trustees' Report

Achievement and Performance for the Period

Education Empowerment

Actions Not Words child sponsorship program continues to grow. We added an additional 10 children to our boarding school sponsorship, bringing the total number of beneficiaries both past and present to over 150.

Actions Not Words sponsorship program provides children from Nakuru Town Dumpsite with access to quality education, food and a safe environment to learn with providing hope of a brighter future. We are thrilled to report that in July 2022, one of our oldest sponsored children graduated from university and secured his first job, becoming financially independent, a testament to the impact of the program.

Furthermore, another one of Actions Not Words eldest sponsored children completed college with a diploma in Social Work and we are excited to share that he has joined our team as a social worker, as he plans to further his studies in the same field. This not only demonstrates the success of our education initiatives but also underscores our commitment to nurturing talent and giving back to the community.

Children's Rescue Centre

In December 2022, Actions Not Words achieved a significant milestone by opening the doors of Simba Hill Children's Rescue Centre. We welcomed our very first child into the centre and expanded our team by hiring three additional staff members in anticipation of the growing number of children we aim to serve in the near future.

Currently the rescue centre has space for 8 children, however Actions Not Words plans on expanding the rescue centre by constructing an additional housing unit in 2023 which will house an additional 8 children, bringing the total number to 16.

Feeding Program

Our commitment to improving the lives of children extended to the local public school near the Gioto Dumpsite. Actions Not Words successfully expanded their feeding program from feeding 350 children to 380 children with a cup of porridge every day they attend school. This initiative is having a tremendous impact, not only nourishing the bodies but also nourishing the minds of these young learners.

Other Achievements

Aside from these major accomplishments, Actions Not Words continued to make a difference in the lives of the community. We provided food support to numerous families living in Gioto dumpsite, helping them meet their basic needs. Additionally, we offered free counselling services to vulnerable children and their parents, addressing the emotional and psychological challenges they face.

We extend our heartfelt gratitude to our dedicated supporters, volunteers, and partners for making these achievements possible. Your unwavering commitment to our cause is the driving force behind our success.

Actions Not Words

Trustees' Report

Plans for the Future

We have now completed construction of the children's home and welcomed our first child. Currently the home has space for 8 children, however, we plan on expanding the rescue centre by constructing an additional housing unit in 2023 which will house an additional 8 children, bringing the total number to 16.

We currently sponsor over 110 children. We will continue to support and sponsor them to attend private boarding schools and encourage them to progress to higher education and vocational employment.

As we look forward to the future, we are excited about the potential for even greater impact. With your continued support, Actions Not Words will remain steadfast in its mission to empower the children of Kenya through education, transforming their lives one action at a time.

Thank you for being a vital part of our journey.

The annual report was approved by the trustees of the charity on 28 September 2023 and signed on its behalf by:



.....
Mr Maurice Glenn Floyd
Trustee

Actions Not Words

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Actions Not Words for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

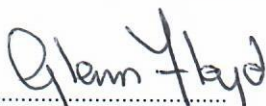
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees of the charity on 28 September 2023 and signed on its behalf by:



.....
Mr Maurice Glenn Floyd
Trustee

Actions Not Words

Independent Examiner's Report to the trustees of Actions Not Words ('the Company')

I report to the charity trustees on my examination of the accounts of the charity for the period ended 31 December 2022 which are set out on pages 7 to 15.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Actions Not Words as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Barry Millar
TB Millar & Co

6 Doagh Road
Ballyclare
Co Antrim
BT39 9BG

28 September 2023

Actions Not Words

Statement of Financial Activities for the Year Ended 31 December 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	45,896	104,448	150,344
Total income		<u>45,896</u>	<u>104,448</u>	<u>150,344</u>
Expenditure on:				
Raising funds	5	(4,101)	-	(4,101)
Charitable activities	6	(134,258)	(82,769)	(217,027)
Total expenditure		<u>(138,359)</u>	<u>(82,769)</u>	<u>(221,128)</u>
Net (expenditure)/income		<u>(92,463)</u>	<u>21,679</u>	<u>(70,784)</u>
Net movement in funds		(92,463)	21,679	(70,784)
Reconciliation of funds				
Total funds brought forward		207,082	7,166	214,248
Total funds carried forward	11	<u>114,619</u>	<u>28,845</u>	<u>143,464</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	37,755	70,922	108,677
Other income	4	-	5,605	5,605
Total income		<u>37,755</u>	<u>76,527</u>	<u>114,282</u>
Expenditure on:				
Raising funds	5	(9,387)	-	(9,387)
Charitable activities	6	-	(72,773)	(72,773)
Total expenditure		<u>(9,387)</u>	<u>(72,773)</u>	<u>(82,160)</u>
Net income		<u>28,368</u>	<u>3,754</u>	<u>32,122</u>
Net movement in funds		28,368	3,754	32,122
Reconciliation of funds				
Total funds brought forward		178,714	3,412	182,126
Total funds carried forward	11	<u>207,082</u>	<u>7,166</u>	<u>214,248</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 11.

The notes on pages 9 to 15 form an integral part of these financial statements.

Actions Not Words

(Registration number: NI619072) Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets		-	115,589
Current assets			
Debtors	8	29,186	17,133
Cash at bank and in hand	9	114,619	91,493
		<u>143,805</u>	<u>108,626</u>
Creditors: Amounts falling due within one year	10	<u>(341)</u>	<u>(9,967)</u>
Net current assets		<u>143,464</u>	<u>98,659</u>
Net assets		<u>143,464</u>	<u>214,248</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		28,845	7,166
Unrestricted income funds			
Unrestricted funds		<u>114,619</u>	<u>207,082</u>
Total funds	11	<u>143,464</u>	<u>214,248</u>

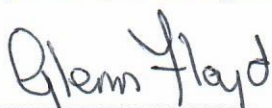
For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 7 to 15 were approved by the trustees, and authorised for issue on 28 September 2023 and signed on their behalf by:



Mr Maurice Glenn Floyd
Trustee

The notes on pages 9 to 15 form an integral part of these financial statements.

Actions Not Words

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Charity status

The charity is limited by guarantee, incorporated in Northern Ireland, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

54 Lisnabreeny Road
Belfast
BT6 9SR

These financial statements were authorised for issue by the trustees on 28 September 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Actions Not Words meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Actions Not Words

Notes to the Financial Statements for the Year Ended 31 December 2022

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Actions Not Words

Notes to the Financial Statements for the Year Ended 31 December 2022

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Actions Not Words

Notes to the Financial Statements for the Year Ended 31 December 2022

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Donations from individuals	45,896	-	45,896
Regular giving and capital donations	-	104,448	104,448
Total for 2022	45,896	104,448	150,344
Total for 2021	37,755	70,922	108,677

4 Other income

	Total 2022 £	Total 2021 £
Coronavirus Job Retention Scheme	-	5,605

Actions Not Words

Notes to the Financial Statements for the Year Ended 31 December 2022

5 Expenditure on raising funds

a) Costs of generating donations and legacies

	Allocated support costs £	Total 2022 £	Total 2021 £
Costs of generating donations and legacies	<u>4,101</u>	<u>4,101</u>	<u>9,387</u>

6 Expenditure on charitable activities

	Activity support costs £	2022 £	2021 £
Kenyan running costs	82,769	82,769	72,773
Kenyan donations	<u>134,258</u>	<u>134,258</u>	<u>-</u>
	<u>217,027</u>	<u>217,027</u>	<u>72,773</u>

£134,258 (2021 - £Nil) of the above expenditure was attributable to unrestricted funds and £82,769 (2021 - £72,773) to restricted funds.

7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Actions Not Words

Notes to the Financial Statements for the Year Ended 31 December 2022

8 Debtors

	2022	2021
	£	£
Other debtors	<u>29,186</u>	<u>17,133</u>

9 Cash and cash equivalents

	2022	2021
	£	£
Cash at bank	<u>114,619</u>	<u>91,493</u>

10 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank overdrafts	-	6,392
Other taxation and social security	341	242
Accruals	-	3,333
	<u>341</u>	<u>9,967</u>

Actions Not Words

Notes to the Financial Statements for the Year Ended 31 December 2022

11 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
Unrestricted funds				
General	207,082	45,896	(138,359)	114,619
Restricted funds	<u>7,166</u>	<u>104,448</u>	<u>(82,769)</u>	<u>28,845</u>
Total funds	<u><u>214,248</u></u>	<u><u>150,344</u></u>	<u><u>(221,128)</u></u>	<u><u>143,464</u></u>
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General	178,714	37,755	(9,387)	207,082
Restricted funds	<u>3,412</u>	<u>76,527</u>	<u>(72,773)</u>	<u>7,166</u>
Total funds	<u><u>182,126</u></u>	<u><u>114,282</u></u>	<u><u>(82,160)</u></u>	<u><u>214,248</u></u>

12 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2022 £
Current assets	114,619	29,186	143,805
Current liabilities	<u>-</u>	<u>(341)</u>	<u>(341)</u>
Total net assets	<u><u>114,619</u></u>	<u><u>28,845</u></u>	<u><u>143,464</u></u>