

ANNUAL REPORT & FINANCIAL STATEMENT

For the year ended March 2019



Who are we?

We believe that light changes everything.

600 million people in Sub-Saharan Africa are having their day cut short. If they don't rely on dangerous alternatives to energy, they will not be able to work, study or socialise once the sun has set.

This is not acceptable in the 21st Century.

We are working to change this. Our mission is that no one should be left in the dark.

Solar lights are safe, clean and affordable. They give off hours of light in the evening so families can earn, learn and feel safe after dark. Just one lamp can transform the future for an entire family and is the first step out of poverty.

Over the past 13 years, SolarAid have distributed 2 million solar lights across Africa, reaching 10,5 million people with clean, renewable light. No home, no school, no clinic should be left in the dark.

SunnyMoney: Our Social Enterprise

We believe that universal access to renewable energy is the best way to alleviate poverty. The best way to ensure universal access to energy is by building local, sustainable businesses.

SolarAid does charity differently. We believe in a model where we create a local market which allows our solar lights to reach those places and the people that the traditional market do not reach. It gives our beneficiaries ownership over their lights. We believe in a sustainable model built on Trade not Aid.

Our Social Enterprise SunnyMoney was set up in 2008 and is one of the main sellers of solar lights in Africa. SunnyMoney Agents travel to remote rural communities to make clean light available where there were previously only unhealthy and expensive alternatives, like kerosene lamps and candles.

The SunnyMoney Way



CONTENT

Who are we	1
Welcome from our Chief Executive	3 - 4
Where we work	5
School campaigns	6
Entrepreneurs	7
2018 - 2019 in numbers	8
2018 - 2019 highlights	9 - 10
Challenges of last mile distribution	11
The SDG's: 10 years left	12
2019 - 2022 plans	13
Thanks	14
Key policies and processes	15 - 18
Structure governance and management	19 - 20
Trustees' responsibilities	21
Auditors	22
Trustees, the advisory committee & professional advisors	23
Independent auditors' report	24 - 26
Consolidated statement of financial activities	27
Consolidated balance sheet	28
Statement of cash flows	29
Notes to the consolidated accounts	30 - 40



Welcome from our Chief Executive

Fires across the Amazon, hottest summer days on record, the Arctic on fire, cyclones hitting Mozambique and Zimbabwe. Floods across Malawi, drought in Zambia. Tornadoes and hailstones hammering down in Madrid in August. 2019 has been quite a year and yet, apparently, so often we seem to hear that 'It's very difficult to attribute any of these events down to climate change.'

The striking school children do not find it difficult to attribute these events to climate change, and neither do we.

It's long been the time for action and at SolarAid we are heartened by the step-change we are seeing. More movements are now springing up to combat and demand action against climate change, which is harming those who did not create the problem, the hardest.

It is abundantly clear that 'business as usual' is not good enough. At SolarAid, we have taken this mantra to heart. Business as usual in the UK and across the world needs to be challenged. Across sub-Saharan Africa, where an estimated 600 million people live without access to electricity, population growth means that we are standing still. Business as usual is forecasting that 600 million people will remain without access by 2030. 2030....the year of the SDGs. The year the global community has agreed should be the year when everyone has access.


Life without access to electricity, is one where opportunity is limited. Homes without power are homes which are less able to build lives free of poverty. Schools without power are less able to serve the next generation.

Health Clinics without power cannot offer modern health care. An astonishing 3 out of every 4 health facilities across Sub-Saharan Africa are estimated to be without access to reliable power. Communities without power are less able to develop local economies and endure the effects of climate change as floods wipe out crops and droughts make it increasingly difficult to survive.

Brave Mhonie, Country Director in Malawi and John Keane, CEO, At the launch of Project Switch in Mandevu village, Malawi in April 2019.



'No home, school or clinic should be left in the dark, without access to electricity. The poorest should be prioritised, not marginalised because they are poor, and the market, with its private investors, is not able or willing to serve them.'

A young boy with dark skin and short hair, wearing an orange t-shirt, is smiling and holding a small, rectangular solar light device. He is standing in front of a textured, light-colored wall. The lighting is warm, suggesting the glow of the solar light.

Boy in Zambia with an SM100 solar light.

‘We are proud of the leading role we have played in creating and kickstarting a marketplace for solar solutions across rural Africa. This year, we hit an historic milestone, reaching 2 million solar light sales. Every single light has a story’



This is why, at SolarAid, we are committing to leaving no one behind. No home, school or clinic should be left in the dark without access to electricity. The poorest should be prioritised, not marginalised because they are poor and the market, with its private investors, is not able or willing to serve them.

This calls for new, more focused, action. We are proud of the leading role we have played in creating and kickstarting a marketplace for solar solutions across rural Africa. This year, we hit an historic milestone, reaching 2 million solar light sales. Every single light has a story and improves lives.

Now, however, is the time to look beyond the market, to innovate new models which reach those being left behind. Now is the time to pioneer new approaches which power education, local economies and healthcare. Local communities should be able to develop, grow stronger and become more resilient so they are better able to withstand the challenges which climate change is bringing. These rural communities did not cause climate change. The blame for that is very much with the developed world.

Without urgent action across all of the UN Sustainable Development Goals, which will not be achieved without universal access to electricity, these communities, which rely on fragile agricultural economies, will continue to be hit the hardest. This became clear for us as Cyclone Idai caused devastating flooding across southern Malawi, displacing 80 000 people. We teamed up with the Red Cross to light up displacement camps in a bid to give people hope and access to light in a time of despair.

This report details all the work we have been doing over the past year and will be scaling up in the year to come. This includes making solar lights available for all students, even those who cannot afford to purchase one, through Light Libraries at their local schools. Building strong solar entrepreneur networks and introducing new products and models, which are helping our agents to bring light and power to rural communities. Pioneering a new ‘take back’ e-waste scheme in Zambia, encouraging people to return products at the end of their life, so that they can be repaired, refurbished or recycled, all with the objective of reducing levels of e-waste in the areas we work. We also recognise that access to electricity is fundamental to helping create healthy and vibrant communities, so we will be furthering our work in the field of powering healthcare. Too many mothers across Malawi and Zambia are forced to give birth in the dark. We are committing to ending this unacceptable situation.

Bringing opportunity through light and electricity to people and communities who would otherwise go without, is at the heart of everything we do.

John Keane,
CEO SolarAid

Where we work



262,374

solar lights distributed

1,575,031

people reached with solar

1,180,154,841

extra child study hours

108,915.9

Co2 emissions averted

£10,520,901

saved for families

121

agents*

11

staff members

'Putting a smile on the faces of the children at Nyakantindi school in Rufunsa, with the installation of our first Light Library in Zambia was a huge highlight of 2019'

- Diana Zulu, Business support coordinator, Zambia



265,250

solar lights distributed

1,384,605

people reached with solar

560,923,379

extra child study hours

138,669.3

Co2 emissions averted

£7,510,793

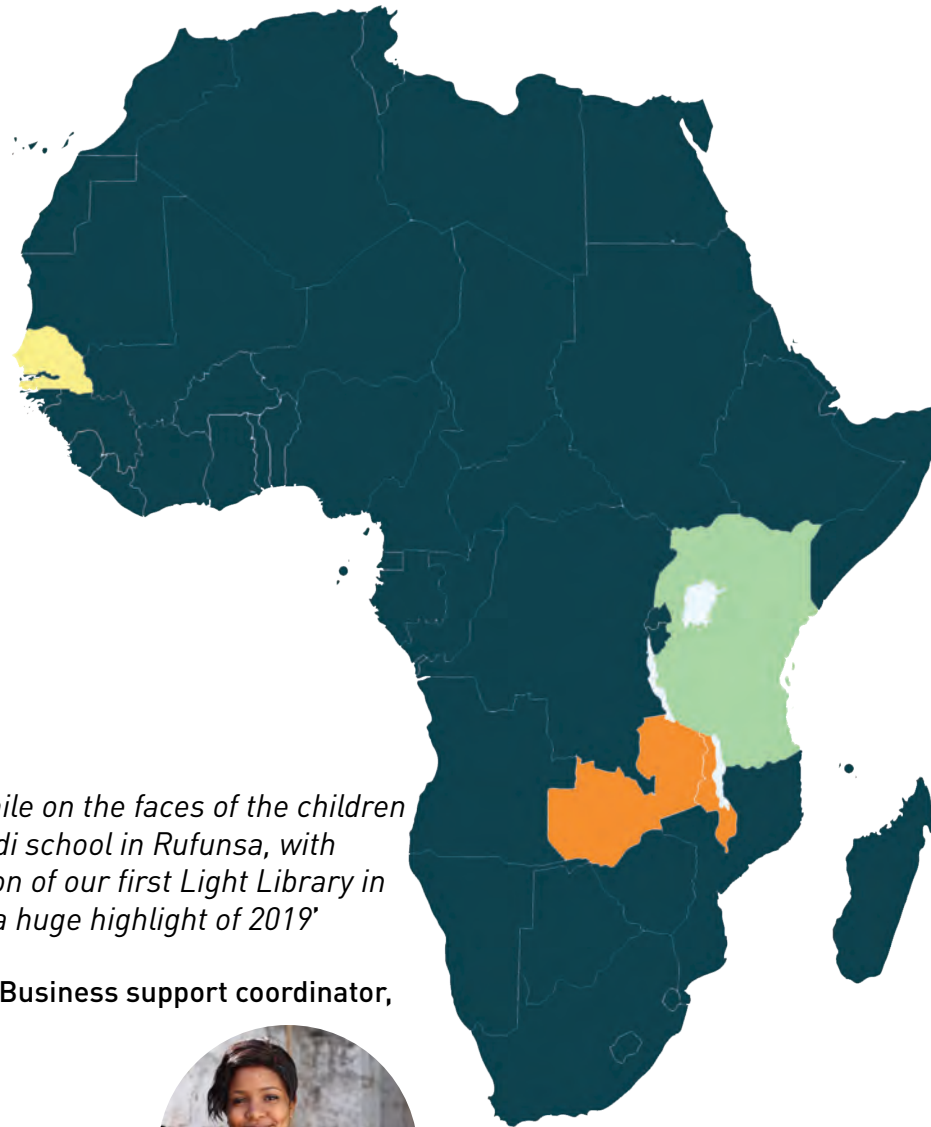
saved for families

49

agents

15

staff members



* Active agents are those that have bought lights in the past 12 months

School Campaigns

In 2010 in Tanzania, SolarAid and SunnyMoney really 'cracked the code' of how to most efficiently and effectively provide access to solar lights to rural communities.

The team started to promote solar lights through schools. As trusted members of their community, we noticed that head teachers were perfectly placed to introduce solar lights. Teachers tell the children, children tell their parents.

Since 2010 we have kept working with school campaigns. Through our partnership with the Ministries of Education in Zambia and Malawi, we gather head teachers from across rural regions where there is little or no knowledge of solar lighting. At these meetings, we demonstrate the benefits that solar lights could have for their students. Each head teacher then takes a solar light back to present to their own community. The desire to give their children a good education sparks a community's interest.

By working with us for just a few hours a week head teachers incomes increase while enabling their students to do better in school.

Ivy Nkahmbule, Marketing Manager at SunnyMoney Malawi says, 'Malawi is made up of a large portion of young people. That is where the future lies! That is why we go out in the villages, or we go into schools where we can meet with all the pupils that are learning. I think we have been to every school in Malawi!'

A young boy with dark skin and short hair is smiling at the camera. He is wearing a light-colored sleeveless shirt with a graphic of a monster truck. He is sitting at a wooden desk, reading an open book. To his right is a small, yellow, rectangular solar lamp on a black stand, which is turned on and casting a warm glow. The background is a wall made of reddish-brown bricks.

'The number of students who go to secondary school has gone up and our school has got higher student attendance.'

**- Patrick Nyerenda,
Teacher in Malawi**



‘To me, light means more money, more income to send my sister to school and buy input for my farm. Light means a better life for me and my family.’

- Daniel Mbewe,
Shop owner at the market at Luangwa Bridge, Zambia

Entrepreneurs

At SolarAid, we believe in ‘trade-not-aid’. We believe the best way to make long-lasting change is through creating a local market. We do this by training and supporting entrepreneurs, known as Agents, to sell solar lights. Not only does it create sustainable income and business opportunities for the Agent, it creates customers rather than beneficiaries.

Although the Agent structure differs between countries, what they have in common are SunnyMoney teams working tirelessly to support them with their business as well as educating and training new Agents.

The Agent model creates possibilities for us to reach those at the very last mile. To help with this, innovative solutions are constantly being developed and tested. In Malawi, we have just set up a microfinance cooperative for Agents, run by Agents so they have access to finance at half the national interest rate.

This ‘trade-not-aid’ model has been instrumental in developing sustainable income for SunnyMoney Agents whilst simultaneously developing markets for solar products in Africa.

2018-2019 in numbers

40,245

Solar lights distributed

£1,360,410

saved by families*

19,021.6

Tonnes of CO₂ emission averted

129,773,602

Extra child study hours

224,754

People reached with solar light

'We live a happy life now when darkness comes because we are able to light our home for a long time [with our solar light].'

- Sithembile Kasambala,
Customer in Karonga, Malawi

* Families save by not having to purchase alternative light sources such as candles or kerosene

2018-2019 highlights

Project Switch pilot

We asked you to help fund this new innovation. You did. Thanks to you, we have launched a Project Switch pilot in Mandevu Village, Malawi. We have set up a 'community energy hub' where families can rent a variety of solar lights on a Pay-As-You-Go basis - spreading the cost of even the most affordable solar light.

Light Library pilots

We have launched Light Library pilots in both Malawi and Zambia. It is like a book library but for solar lights where a family can rent a solar light for less than 1p per day. Not only does it reach families who cannot afford solar lights, but it acts as a 'try-before-you-buy' model for all.

Super Agent model

The evolution of our agent model in Malawi is with the Super Agents. Rather than having individual agents spread across the country, they are now grouped together in a tiered structure which has a 'Super Agent' at the top. The Super Agent runs their own business within a select territory and recruits 'Area Agents' to work across their territory selling lights. We are supporting the growth of these solar businesses across the whole of Malawi.

Uganda management takeover

Due to the significant growth of the solar market in Uganda, the fastest growing market in the world, SolarAid decided their role in market creation was complete. Therefore, in August 2018, SolarAid withdrew from Uganda. The management staff we had at SunnyMoney Uganda took control of the organisation which now trades under the name Xpreme Solar Solutions.

Energy Globe Award 18

For the second year in a row, and third overall, SolarAid won the Energy Globe Award for having the best energy project in Malawi.



Celebration of Project Switch in the Village of Mandevu, Malawi in April 2019



Our Partnership with Elle Solaire is empowering women in Senegal through entrepreneurial opportunities.

Cyclone Idai response

Although we adopt a 'trade-not-aid' approach to achieving our goal, there are certain times where aid is necessary. In agreement, you, our amazing supporters donated in droves to allow us to assist in the emergency response to Cyclone Idai which displaced hundreds of thousands of people across Malawi, Mozambique and Zimbabwe. Working with the Malawi Red Cross, we were able to distribute 100 solar home systems for light and mobile phone charging, and 100 portable solar lights, for women and children to stay safe, in the camps for internally displaced people.

Elle Solaire

In September 2018, SolarAid partnered with Elle Solaire in Senegal. Elle Solaire is a social enterprise empowering women through entrepreneurial opportunities with solar products. With a shared purpose and expertise to share, we are proud to have extended our reach through this wonderful organisation, into Senegal once again.

Oxfam replication in Sierra Leone

In January 2019, we were delighted to share the news that Oxfam has replicated SolarAid's Schools Campaign in Sierra Leone with great success. As our new strategy is to share our model through partnerships with other organisations as well as our own expansion, this was a great sign of things to come.

Syria lights

By supporting the work of our fantastic supporter, Keith Neal, we are honoured to have played a part in getting much needed energy to Syria for the second year running. Through the support of Next Energy Foundation and delivered by Syria Relief, we were able to get solar lights and mobile phone charging to the internally-displaced people of Ghouta, Idlib and Homs.

Solar and education research study

Proving our impact is essential at SolarAid. Continuing this tradition, we were delighted to share the research study on the impact of solar lighting on education in August 2018. Delivered in partnership with Stanford University and 60 Decibels, this Randomised Control Trial (RCT) taught us many things about solar and the complexity of educational improvements in Zambia. Findings from the study are explained [here*](https://solar-aid.org/solar-education-research-study).

[*https://solar-aid.org/solar-education-research-study](https://solar-aid.org/solar-education-research-study)

Challenges of last mile distribution

The countries we work in are facing many challenges. Zambia is currently experiencing the worst drought in decades, whilst Malawi has been facing severe floods. The floods in Malawi as a result of cyclone Idai, in March 2019 affected 900,000 people and displaced 80,000.

These changes in climate are affecting those with fewer resources, those who didn't contribute to the problem, the hardest.

The seasons are becoming more extreme, the dry seasons are becoming longer and when the rainy season finally arrives, it doesn't make up for the damages caused by the extreme droughts.

Andy Hachipola in Zambia says 'The times that we have dry spells are quite extreme, it's very very dry, but when the rains come we have floods. The roads become flooded, some areas become unreachable.'

The extreme weather is not only cutting off rural areas, it affects the crops and supply of food. The price of staple food increases, leaving families with nothing left after having bought their basic supplies. 'It's really sort of a paradox that people have to choose between having light or buying food', says Andy Hachipola.

We are dedicated to getting clean energy out to those hardest to reach.

'It's really sort of a paradox that people have to choose between having light or buying food.'

- Andy Hachipola, Field Coordinator, Zambia

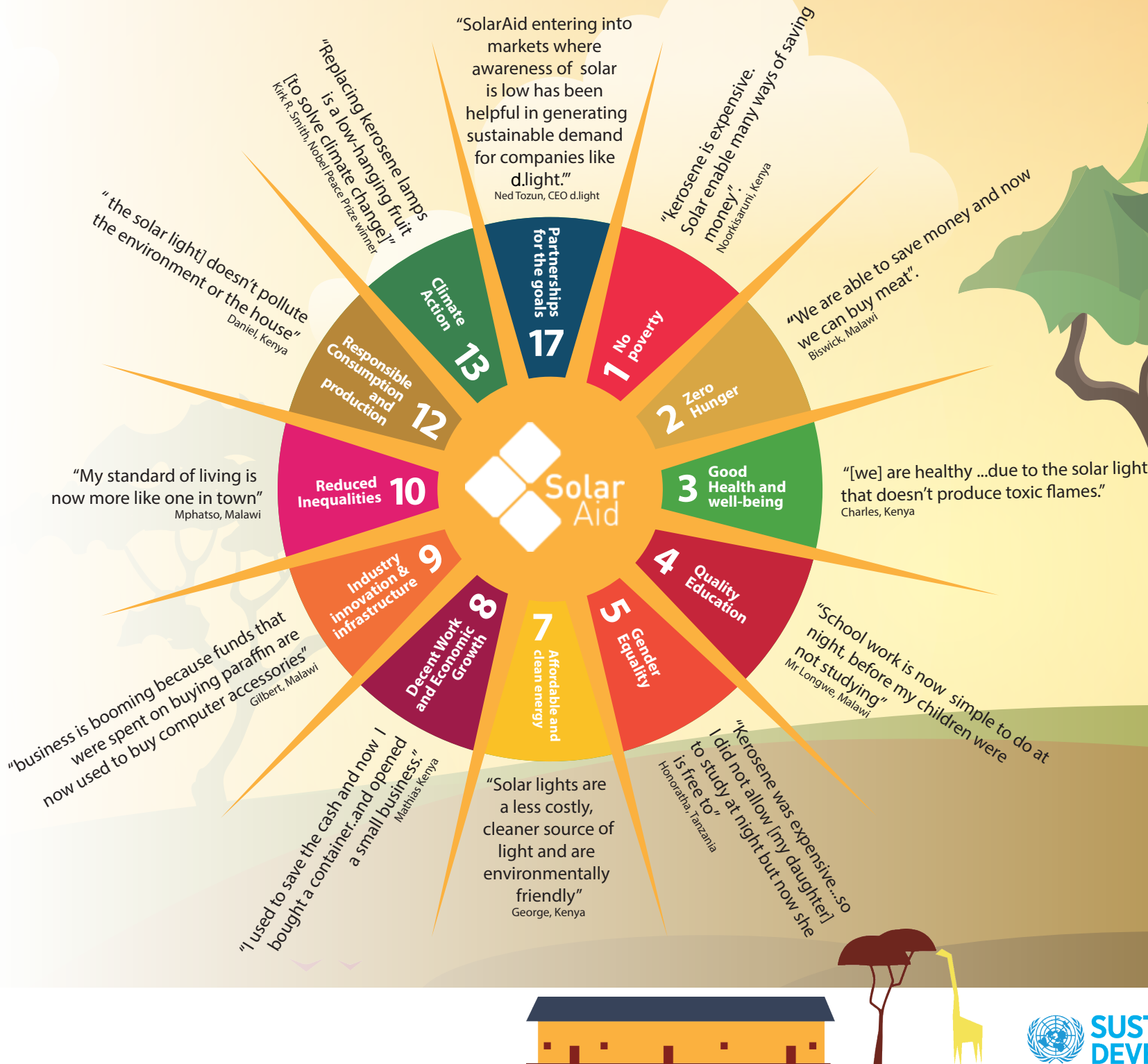


The SDG's: 10 years left

SolarAid is working to accelerate the achievement of SDG7 "access to affordable, reliable and sustainable energy for all", but our work positively impacts 12 of the 17 Sustainable Development Goals.

However, the clock is ticking and we are rapidly approaching 2030. We will not be able to achieve access to modern society for all, without access to electricity.

Read more about how SolarAid's work in distributing solar lights and renewable energy to last-mile communities impacts almost all of the SDG's [here](#).



SUSTAINABLE DEVELOPMENT GOALS

2019-2022 plans

SolarAid's mission, to leave no one in the dark by 2030, demands innovation. While our market-based model, 'The SunnyMoney Way', has had a significant impact across East and Southern Africa, it has its limits.

Our new strategy is to introduce and replicate the models which will 'reach beyond the market' to those who cannot buy even the most affordable solar light.

Scaling up Light Libraries

After proving the impact of Light Libraries through our Malawi and Zambia pilots, we will scale the project to hundreds of schools. For the first time, many families will be able to access a solar light, initially by renting, saving and then by buying their own.

Scaling up Project Switch

Similar to Light Libraries, once we have refined this model through the pilot, we will look to scale up Project Switch across Malawi.

E-waste recycling

SolarAid is piloting a model in Zambia to improve our reverse logistics to allow for repairs of solar lights, rather than families having to throw their broken products into landfill. We will be looking to develop a second-hand market for solar lights. After this, we will be looking at how the end of life products can be recycled.



Super Agents

We will continue to build our Super Agent network in Malawi. We are looking to have 41 Super Agents across the country in order to have 100% coverage. The Super Agents will be building their own businesses which will transform energy access in Malawi. We are supporting the growth of these businesses to survive long after SolarAid's presence.

Pay-As-You-Go

The agents' businesses in Malawi are built upon a Pay-As-You-Go model. This allows customers to pay for their solar lights in instalments. We will be looking to continue to build this technology for more affordable products, as well as larger systems to react to customers' needs.

End-user subsidies

Subsidising solar lights is a much talked about concept to reach the lowest income families. We will test this theory by piloting and scaling up a subsidy model in Zambia to conclude if it is the model to leave no one in the dark.

Entrepreneur financing

To improve their businesses, the sales agents we work with say they need finance. Traditional banks and MFIs do not offer suitable and affordable financing, therefore, we have devised our own microfinance models for agents to access stock and capital to improve their own businesses. The interest rates of these loans will be half of the 40% APR national average rate and will be paid into a co-operative which will continue to benefit the Agent.

Health clinics

The most rural health clinics do not have access to electricity or often to basic, safe lighting. Therefore, we will be looking to learn from our schools programme to launch a sustainable model to provide light to health clinics.

Expansion

We are actively looking for ways to increase our impact through new opportunities and partnerships.

Thanks

We wish to thank all of our supporters in 2018/2019, including our individual supporters, as well as the following:



Solarcentury

Founding partners who set up SolarAid as soon as the company became profitable, continue to support our work through staff fundraising and donating 5% of profits annually. This year Solarcentury made their biggest ever donation to SolarAid.



Namene

Making one of the world's most affordable lights possible with the SM100.



Honnold Foundation

Led by the world record-breaking free climber, Alex Honnold, they have made it possible for us to reach a US audience where we otherwise could not.



Signify

Supporting SolarAid in developing the Sales Agent Network in Zambia, working together to catalyse a sustainable solar market.

UK Aid Match

Supporting SolarAid to develop and scale its market-based business model across Malawi, Uganda, and Zambia.



Carbon Credentials

Carbon Credentials support us with their employees taking part in a plethora of fundraising activities, including cycling events and marathons. Carbon Credentials donate their time and skills to our cause and have been instrumental in connecting us with organisations that have a real shared purpose.

Earthworm
Hewlett Packard Enterprise
Bird
Keap
Lotto Love
One Grid

GGTR
Energy For a Cause
Piaget
Pivot Power
HCD Memorial Fund
The Coles-Medlock Foundation
Charitable Trust

Grosvenor via The Westminster Foundation
Mitsubishi Corporation Fund for Europe & Africa
European Space Agency
Next Energy Foundation
Rotary
Soroptomists

Key policies and processes

Our people

Remuneration, equal opportunities and staff engagement

SolarAid aims to pay staff at a level close to the relevant market median. For each role we have pay grades based on market salary surveys. We monitor staff progress each year through our appraisal and objective setting processes and staff move up the pay grades as appropriate. The Chief Executive's salary is set by the Board of Trustees' based on the market median salaries of similar charities.

Our remuneration policy is based on an ambition to recruit and retain skilled staff who are remunerated fairly but are primarily motivated to work with us because of our mission.

We aim for equitable remuneration for all employees regardless of age, disability, gender identity or gender expression, race, ethnicity, religion or belief, sex, sexual orientation or any other equality characteristic.

We have an Equal Opportunities Policy in place and the organisation is committed to promoting equality of opportunity for all staff and job applicants.

Volunteer help and gifts in kind

The Trustees are very grateful to the volunteers who have helped SolarAid over this financial year. SolarAid's volunteer network is highly skilled and has been able to assist SolarAid in a number of areas. International volunteers have been placed in our overseas African programmes, working to develop finance systems, deliver programmes and assist in an advisory and strategic capacity. In the UK, volunteers have helped develop marketing and branding and assist with UK and overseas programme work.

SolarAid's legal partner, Covington & Burling LLP, have provided SolarAid with extensive and invaluable pro-bono legal advice during the financial year, for which SolarAid is deeply indebted.

SolarAid's volunteers make an essential contribution to SolarAid, giving time to and providing support for the whole organisation. SolarAid works to ensure its strategy reflects the needs and views of volunteers and acknowledges their experience and skills as fully as possible. SolarAid continues to actively recruit volunteer support and strives to ensure that each volunteer is supported as fully as possible during the time they give freely to SolarAid.

Managing risk

Managing principal risks and uncertainties

The Board of Trustees are responsible for ensuring that major risks facing SolarAid are appropriately managed. The major risks identified are regularly reviewed and their potential impact assessed. Strategies and controls to manage each risk appropriately are in place, with some subject to continuing improvement. In those areas of our work where a degree of risk is inevitable, appropriate steps have been taken to mitigate that risk where possible. Updates to the register of key risks are reported to the Board and circulated to Trustees for their review.

The top 3 major risks reported to the Board are:

Inability to generate sufficient income from fundraising

To mitigate this risk we ensure that fundraising plans aim to pursue diverse funding streams. Our funding is split across income from Individuals, Corporate partners, Trusts and Foundations and Governments and other statutory bodies. We consider our funding to be without undue reliance on one particular funder or income stream. Fundraising plans are also multi-year focused to ensure our sustainability. Targets and forecasts are monitored on a monthly basis.

Sudden loss of key staff

SolarAid is a small organisation and as such the loss of key staff imposes a major risk. At SolarAid we have a culture of team work and encouraging communication and collaboration to ensure that knowledge and skills are spread across teams. We are in the first year of a plan to increase our teams across the UK and Africa to keep up with growth and manage this risk. We also use IT solutions, such as SalesForce, to make sure staff have access to up to date information across teams.

Insufficient cash to meet liabilities

SolarAid actively manages its expenditure levels and cashflow forecasting across the group with the aim of maintaining sufficient working capital levels for normal activity. In the last three financial years we have managed to increase group cashflows to a level that comfortably provides for normal activity.

Financial Management

During the financial year the Group's income was £2,258,437 (2018: £1,424,288) and its resources expended were £1,493,454 (2018: £1,353,736).

Grants & Donations Received

A list of the income from grants and donations is included within notes 2 and 3. SolarAid would like to extend its gratitude to all funders for the support they have shown during this financial year.

The Funds of the Group and of the Charity

The Group ended the financial year with net incoming resources of £764,983 (2018: £70,552), resulting in total funds retained of £1,306,083 (2018: £541,100). These funds fall into two categories: restricted and unrestricted. Unrestricted funds increased during the year by £695,426 to close at £1,172,669 (2018: increased by £281,822 to close at £477,243). Included in the closing unrestricted funds was a donation from SolarCentury of £528,527 which was accrued for at the year end.

Restricted funds, which are earmarked for particular programmes on which expenditure will be incurred in future financial years, stand at £133,414 as at 31 March 2019 (2018: £63,857). At 31 March 2019 no restricted funds were in deficit.

Reserves Policy

Reserves enable the charity to make long-term commitments to projects by protecting its work against financial fluctuations, although this must be balanced against a wish not to hold more reserves than are needed for these purposes, in order to maximise the amount currently available to support SolarAid's charitable objectives.

The Trustees would normally expect the charity to hold unrestricted resources sufficient to meet at least three months unrestricted expenditure, estimated at £255,500 based on current levels of expenditure. The group has free reserves of £1,010,781 (2018: £300,241). Included in this figure is an unrestricted donation of £528,527 that was pledged during the year but received just after the year end. This has had the effect of inflating free reserves at the year end. Free Reserves are stated net of fixed assets and investments and inter-company loan balances. The unrestricted balances of the Group at the year end stood at £1,172,669 (2018: £477,243).

Restricted funds are not included in the Trustees' view of reserve needs, because these restricted funds are held by the charity for only as long as is necessary to deliver the relevant programmes.

Investment policy

To date, monies have been held on deposit rather than in investments, reflecting the need for liquidity given the relative uncertainty around level and timing of income and expenditure. SolarAid's future investment policy will include ethical principles within which investments will be managed.

Financial performance of subsidiaries

In addition to the impact performance provided on page 5 of this report, the summary financial performance of active subsidiaries were as follows:

	SolarAid (Malawi)	SolarAid (Zambia)	SunnyMoney Global (UK based)
Total Income	£469,374	£394,977	£38,131
Total Expenditure	£477,780	£393,451	£26,829
Net surplus or deficit for the year	(£8,406)	£1,526	£11,302
Aggregate Assets	£141,750	£135,748	£79,544
Aggregate Liabilities	(£253,818)	(£103,613)	(£50,648)
Closing reserves position	(£112,068)	£32,135	£28,896

SolarAid and its subsidiaries set detailed annual budgets in advance each year. Overall the performance from subsidiaries in 2018/2019 were broadly in line with budget.

SolarAid Malawi currently has a reserves deficit of £112,068 which has arisen over time from accumulated losses. These losses have been supported as necessary by SolarAid via working capital loans. Despite the net deficit SolarAid Malawi is considered a going concern due to SolarAid's pledge to continue to support and fund its work.

Fundraising and Working Capital

SolarAid secures funding for its activities from a wide range of sources including government and inter-governmental bodies, companies, foundations, a number of generous individuals and the general public. The Trustees are extremely grateful for the generous support received from individuals and foundations – especially those who have contributed towards our core costs by making unrestricted grants and donations. Details of grants and donations received during the year can be found in notes 2 and 3 of the accounts.

It is Trustees' responsibility to ensure that SunnyMoney Global and the in-country operations have access to sufficient working capital to deliver the Group's overall mission objectives. A major working capital requirement relates to the purchase and stock-holding of solar lanterns which are imported from China.

During the course of the year SolarAid raised £992,049 (2018: £330,691) of programme related funding specifically to support market development through SunnyMoney.

At the end of March 2019 SolarAid had invested £58,805 of share capital (2018: £58,805) and £177,986 of inter-company loans (2018: £149,979) in SunnyMoney. All loans were made from unrestricted funding and were used to support activities in line with the charity's objectives.

Structure governance and management

Governing document

SolarAid is a charity registered with the Charity Commission under registration number 1115960 and a company limited by guarantee (registration number 3867741), incorporated on 28 October 1999. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantors at 31 March 2019 was three.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The company's name was changed from Solar Century Global Community Trust to SolarAid on 8 May 2006 by decision of the Board. SolarAid was registered as a charity on 30 August 2006.

Charitable objects

The charity's objects are:

To relieve poverty through facilitating the provision of solar energy to those in need. To advance the education of the public in matters relating to solar energy, climate change and the protection of the environment and to carry out and disseminate the results of research into all aspects of energy generation, distribution, supply and use.

Trustees and organisational structure

The business of the charity is governed by a Board of Trustees, which seeks to ensure that all activities are compliant with UK law and fall within the charity's objects. The Board's work includes the setting of the strategic direction of the organisation and providing support to management. Day to day management of the charity is delegated to its executive officers and the Board acts on advice and information from regular meetings with the Chief Executive and Officers. Trustees are able, where appropriate, to take independent professional advice at no personal expense so that they are able to fulfil their role.

The Board will continue to evolve to ensure that it remains appropriate as the charity grows in size and complexity.

There is no fixed term of office for Trustees. During the year there were no changes in the Board.

In addition to the Board of Trustees, SolarAid have an advisory board made up of four advisors covering the areas of fundraising, marketing, climate change action and African development. The Advisory Board support the Board of Trustees and senior management with their advice, experience and networks on a voluntary basis.

SolarAid has a wholly owned trading subsidiary, SunnyMoney Global, which in turn owns and controls a number of African based trading entities. All trading activity is maintained at the SunnyMoney Global level and fully consolidated accounts have been prepared for the year ending 31st March 2019.

Method of appointment of Trustees

Election or re-election of Trustees is in accordance with procedures set out in the charity's Memorandum and Articles of Association, which is the organisation's governing document. The Board is entitled to appoint new Trustees.

Trustees' induction and training

New Trustees undergo an orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business and strategic plans, development projects and recent financial performance of the charity. During this induction they meet key employees and the other Trustees.

Details of significant restrictions in the way the charity operates

There are no significant restrictions in the way the charity operates other than those imposed by law.

Chief Executive

John Keane, the Chief Executive, and other Officers are responsible for the day to day operations of the charity, its programmes and fundraising activity within delegated authority from the Trustees.

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. A detailed explanation is shown under Objects and Activities.

Statement of Trustees' responsibility

The Trustees (who are also directors of SolarAid for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 the group of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

Insofar as each of the trustees of the group at the date of approval of this report is aware there is no relevant audit information (information needed by the charitable group's auditor in connection with preparing the audit report) of which the charitable group's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that our current auditors Crowe U.K. LLP be re-appointed as auditors of the organisation for the ensuing year.

The Trustees are pleased to present the Trustees' Report and Accounts for the Charity for the year ended 31 March 2019, which have been prepared in accordance with the Charity Statement of Recommended Practice – SORP 2015 and the Companies Act 2006.

Approved by the Trustees and signed on its behalf by:



Jeremy Leggett
Chairman
18 October 2019



Trustees, the Advisory Committee and Professional Advisors

As at October 2019

Directors / Trustees who served during the year and to the date of signing

Jeremy Leggett - Chair
Mirjana Skrba
John Faulks

SolarAid Advisory Board

Charlotte Grimshaw
Aki Maruyama-Leggett
Jeunesse Park
Glenda Vergeer

Key Staff

John Keane – Chief Executive Officer
Lorraine Hammond – Finance Director
Jamie McCloskey – Development Director
Brave Mhonie – Malawi General Manager
Karla Kanyanga – Zambia Operations Director

Company Number 3867741

Charity Number 1115960

Registered Office

30-36 Pritchard's Road
London E2 9AP

Auditors

Crowe U.K. LLP
St Bride's House
10 Sailsbury Square
London EC4Y 8EH

Bankers

The Co-operative Bank PLC
P.O. Box 101
1 Balloon Street
Manchester M60 4EP

Solicitors

Covington & Burling LLP
265 Strand
London WC2R 1BH

Independent Auditor's Report to the Members and Trustees of SolarAid

Opinion

We have audited the financial statements of SolarAid for the year ended 31st March 2019 which comprise consolidated statement of financial activities, consolidated and charity only balance sheets, consolidated statement of cash flows 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 group's and the charitable company's affairs as at 31st March 2019 and of the group's 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 and the Charities Act 2011.

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 group 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 group's or 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 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.

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 our audit the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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:

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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 exemption in preparing the Trustees Annual Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 21, 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 group's or 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder. 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.

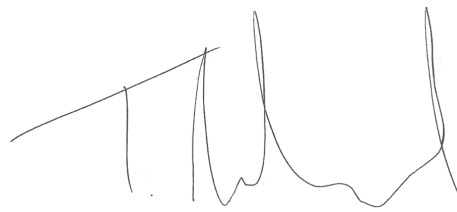
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities

This description forms part of our auditor's report.

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, and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London 17.12. 2019

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Consolidated statement of financial activities

As at 31 March 2019

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2019</u> £	<u>Total 2018</u> £
Income					
Donations	2	646,018	-	646,018	525,714
Income from Investments		42	-	42	29
Income from charitable activities:					
Programme related grants and donations	3	528,527	463,522	992,049	330,691
Income from distributing solar lights in Africa		606,274	-	606,274	561,498
Other income		14,054	-	14,054	6,356
Total Income		1,794,915	463,522	2,258,437	1,424,288
Expenditure					
Expenditure on Raising funds	4	174,051	-	174,051	137,804
Expenditure on Charitable activities	4	925,438	393,965	1,319,403	1,215,932
Total Expenses	4	1,099,489	393,965	1,493,454	1,353,736
Net income/(expenditure)		695,426	69,557	764,983	70,552
Transfers between funds	14	-	-	-	-
Net movement in funds		695,426	69,557	764,983	70,552
<i>Reconciliation of funds</i>					
Total funds brought forward	14	477,243	63,857	541,100	470,548
Total funds carried forward		1,172,669	133,414	1,306,083	541,100

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Continuing operations

None of the group's activities were acquired or discontinued during the above financial periods.

Total recognised gains and losses

The group has no recognised gains or losses other than the above movement in funds for the above financial periods.

Consolidated balance sheet

As at 31 March 2019

	<u>Notes</u>	2019	Group	2019	Charity
		2019	2018	2019	2018
		£	£	£	£
FIXED ASSETS					
Intangible assets	7	280	37,561	280	1,621
Tangible assets	8	12,149	19,897	419	1,605
Investments	9	-	-	58,805	58,805
		12,429	57,458	59,504	62,031
CURRENT ASSETS					
Stock		218,546	174,396	-	-
Debtors	10	691,427	106,541	898,573	237,421
Cash at bank and in hand		575,399	371,915	543,614	311,181
		1,485,372	652,852	1,442,181	548,602
CREDITORS: amounts falling due within one year	11	191,718	169,210	120,006	34,525
NET CURRENT ASSETS		1,293,654	483,642	1,322,181	514,077
TOTAL ASSETS LESS LIABILITIES		1,306,083	541,100	1,381,685	576,108
INCOME FUNDS					
Unrestricted funds:-					
General funds	14	1,172,669	477,243	1,248,271	512,251
Restricted funds	14	133,414	63,857	133,414	63,857
		1,306,083	541,100	1,381,685	576,108

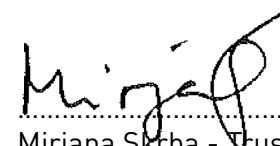
Company Number 3867741
Charity Number 1115960

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

These accounts were approved by the Board of Trustees on 18 October 2019 and were approved and authorised for issue on its behalf by:



Jeremy Leggett - Chairman



Mirjana Skrba - Trustee

Statement of cash flows and consolidated statement of cash flows

For the year ended 31 March 2019

	<u>Notes</u>	Group	Charity
	2019	2018	2019
	£	£	£
Cash used in operating activities	15 205,708	70,407	232,651
Cash flows from investing activities			
Interest income	42	29	5
Purchase of tangible fixed assets	(2,184)	(2,679)	(223)
Purchase of tangible fixed assets	-	(3,791)	(3,791)
Proceeds from the sale of fixed assets	(82)	1,247	-
Cash provided by (used in) investing activities	(2,224)	(5,194)	(218)
Cash flows from financing activities			
Repayment of / cash inflow from borrowing	-	-	-
Cash used in financing activities	-	-	-
Increase (decrease) in cash and cash equivalents in the year	203,484	65,213	232,433
Cash and equivalents at the beginning of the year	371,915	306,702	311,181
Cash and equivalents at the end of the year	575,399	371,915	543,614

Notes to the consolidated accounts

For the year ended 31 March 2019

SolarAid is an incorporated Charity (Charity registration number: 1115960) registered in England and Wales. The address of the registered office is 30-36 Pritchard's Road, London E2 9AP.

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:

1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with the Companies Act 2006 and follow the recommendations of the Accounting and Reporting by Charities: Statement of Recommended Practice 2015 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

SolarAid meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

To comply with overseas local legislation, SolarAid has established a number of overseas legal entities in the countries in which it operates. These entities are fully controlled by SolarAid and their accounts are consolidated within the accounts of SolarAid.

Going Concern

We have set out in the Trustees' report a review of financial performance and the charity's reserves position. We have adequate financial resources and are well placed to manage the business risks. We have a reasonable expectation that we have adequate resources to continue to operate for the foreseeable future. We believe that there are no material uncertainties that call into doubt the charity's ability to continue. The financial statements have therefore been prepared on the basis that the charity is a going concern.

1.2 Incoming resources

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income received from charitable activities includes sales income, income received under contract and grant funding subject to specific performance conditions relating to charitable activities. Grant income included in this category supports performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is deferred when performance related grants are received in advance of the performances or event to which they relate.

Grants received as a contribution towards the purchase of capital equipment are recognised in the Statement of Financial Activities (SOFA) in the period in which they are received.

Donated goods and services are recognised in the financial statements, as both income and expenditure, at a reasonable estimate of their value in the period in which they are donated.

1.3 Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' Annual Report.

Where services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

For the year ended 31 March 2019

1.4 Interest receivable and investment income

Interest and investment income is credited to the SOFA when it is receivable.

1.5 Resources expended

Resources expended are recognised in the period in which they are incurred on an accruals basis. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities include expenditure associated with the main objectives of the charity and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources.

1.6 Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.7 Taxation

The Charity

The Charity is a registered charity in England and Wales and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

The Subsidiary Entities

The subsidiary entities are fully liable to relevant corporate, income and capital taxes in their respective territories on profits derived from trading activities:

Subsidiary	Place of residence for tax purposes
SunnyMoney Kenya Ltd	Kenya
SolarAid Kenya	Kenya
SolarAid Malawi Ltd	Malawi
SolarAid Malawi	Malawi
SolarAid Tanzania Ltd	Tanzania
SunnyMoney Tanzania Ltd*	Tanzania
SolarAid Uganda Ltd	Uganda
SunnyMoney Global Ltd	UK
SolarAid Zambia Ltd	Zambia

*Previously known as D Light Design East Africa Ltd

1.8 Tangible fixed assets and depreciation

Tangible and Intangible fixed assets are stated at historic cost less accumulated depreciation or amortisation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation and amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The amortisation and depreciation rates and bases are as follows:

Goodwill (arising on consolidation)	10%	Straight Line
Furniture, Fixtures & Fittings	12.5%	Reducing Balance
Computer Equipment	30% / 37.5%	Reducing Balance
Motor Vehicles	25% / 37.5%	Reducing Balance
Website development	25%	Straight Line

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

1.9 Fixed assets investments

Fixed assets investments are stated at historic cost.

For the year ended 31 March 2019

1.10 Stock

Stock is shown at the lower of cost and net realisable value. Provision is made for obsolete, slow moving or defective stock where appropriate.

1.11 Fund accounting

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

Restricted funds must be used for specified purposes as laid down by the donor.

1.12 Foreign currencies

Transactions in foreign currencies are recognised at the prevailing rate at the beginning of the month in which the transaction arose. Monetary assets and liabilities are translated into sterling at the exchange rate on the balance sheet date. All exchange differences are recognised through the SOFA.

1.13 Financial instruments

The Charity has taken advantage of the exemptions in FRS102 from the requirement to present certain disclosures about the charity's financial instruments.

The Group has financial assets and financial liabilities of a kind that qualify as basic. These are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets that are debt instruments measured at amortised cost include trade debtors and other debtors. Financial liabilities measured at amortised cost include trade creditors, other creditors and current loans. The total financial assets were £1.3m (2018: 0.6m) and financial liabilities were £267k (2018: 251k).

2. Donations

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2019	2018
	£	£	£	£
Donations	624,807	-	624,807	484,385
Pro bono legal advice	21,211	-	21,211	41,329
	646,018	-	646,018	525,714

The charity is indebted to Covington & Burling LLP for providing legal advice as pro bono services. The value placed on these contributions by the donor is £21,211 (2018: £41,329). The income equivalent is recognised within incoming resources as a donation, and a corresponding expense is included within legal costs.

3. Incoming resources from charitable activities

Grants receivable and other charitable income is shown for the year ending 31 March 2018:

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2019	2018
	£	£	£	£
SolarCentury	528,527	-	528,527	-
DFID through Concern				
Universal – DISCOVER	-	60,462	60,462	(53,930)
DFID	-	172,005	172,005	166,256
Mitsubishi	-	38,620	38,620	40,000
Individual Major Donors	-	75,163	75,163	77,264
Honnold Foundation	-	30,711	30,711	-
European Space Agency	-	-	-	3,253
Next Energy Foundation	-	-	-	11,000
Signify Foundation	-	31,591	31,591	54,602
Other Country Specific	-	54,970	54,970	32,246
	528,527	463,522	992,049	330,691

For the year ended 31 March 2019

4. Resources expended

	Basis of allocation	Solar light distribution programmes	Fundraising	2019	2018
		£	£	£	£
<i>Costs directly allocated to activities:</i>					
Staff costs	Direct	380,258	121,189	501,447	469,125
Travel & subsistence	Direct	15,350	-	15,350	11,828
Communications	Direct	16,192	16,192	32,383	14,794
Other direct project costs	Direct	660,876	6,882	667,758	618,610
Consultants	Direct	60,311	4,746	65,057	51,678
Insurance	Direct	1,798	-	1,798	1,928
Loan interest	Direct	2,516	-	2,516	2,818
Bank charges and foreign exchange differences	Direct	42,594	-	42,594	15,431
Depreciation and the loss					
sale of fixed assets	Direct	8,605	1,409	10,014	10,921
Impairment and amortisation of goodwill	Direct	37,281	-	37,281	11,155
<i>Governance support costs allocated to activities:</i>					
Audit	Direct	20,995	-	20,995	25,490
Legal & professional costs	Direct	22,488	-	22,488	43,077
<i>Support costs allocated to activities:</i>					
Audit	Direct	20,995	-	20,995	25,490
Staff training	Transactions	7,754	-	7,754	1,930
Premises	Staff Time	23,080	17,071	40,151	45,104
General office expenses	Staff time	3,436	2,541	5,977	4,746
Legal & professional costs	Direct	22,488	-	22,488	43,077
Recruitment	Transactions	-	1,396	1,396	-
Travel & subsistence	Transactions	12,321	-	12,321	18,118
Communications	Staff time	55	40	95	40
I.T. support & maintenance	Staff time	3,397	2,513	5,910	6,943
Office equipment	Staff time	97	72	169	-
		1,319,403	174,051	1,493,454	1,353,736

For the year ended 31 March 2019

5. Staff costs and numbers

The average number of persons employed, including part-time staff, calculated on a full-time equivalent basis was:

	2019	2018
Management and International Programmes staff	38	38
Fundraising staff	3	2
	41	40

Staff costs for the charity and group were as follows

	2019	2018
	£	£
Salaries	453,653	439,087
National Insurance	28,791	23,334
Pension	19,002	6,704
	501,447	469,125

The number of employees whose emoluments exceeded £60,000 in the year was as follows:

	2019	2018
£60,000 - £70,000	-	1
£80,000 - £90,000	1	-

One higher paid staff member received Employer pension contributions under a defined contribution scheme. The total contributions in 2019 was £2,550.

The key management personnel of the group are the members of the Senior Management Team (SMT). The total employee benefits for the SMT was £204,591 (2018: £164,386) inclusive of employer's pension and national insurance costs. No Director of the Charity or the subsidiary entities received any remuneration in the year for services to those companies.

6. Taxation

SolarAid is a registered charity and is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

The subsidiary entities are fully liable to relevant corporate, income and capital taxes in their respective territories on profits derived from trading activities. No corporate taxes were incurred in the year to 31 March 2019.

7. Intangible assets

The Group	Goodwill on consolidation	Crypto-currency	2019 Total	2018 Total
Intangible Asset - Value			£	£
At 1st April 2018	89,850	3,791	93,641	89,850
Additions in the Year	-	-	-	3,791
Write off in the Year	(89,850)	-	(89,850)	-
At 31st March 2019	-	3,791	3,791	93,641
Amortisation				
At 1st April 2018	53,910	2,170	56,080	44,925
Charge in the Year	-	1,341	1,341	11,155
Write off in the Year	(53,910)	-	(53,910)	-
At 31st March 2019	-	3,511	3,511	56,080
Net Book Value at 31st March 2019	-	280	280	37,561

The goodwill arises on consolidation. It relates to the purchase of 100% of the share capital of SunnyMoney Tanzania Ltd in the year ending 31 March 2012. We have taken the decision to fully write off goodwill in the current year as SunnyMoney Tanzania remains dormant.

In January 2018 Solarcoins, a cryptocurrency that are issued for free to those who generated 1 MWh of solar electricity, were donated to SolarAid. Values for conversion into GBP are obtained from CoinGecko.

For the year ended 31 March 2019

8. Tangible assets

The Group	Website Dev.	Furniture, Fixtures & Fittings	Computer Equipment	Motor Vehicles	2019 Total
Cost	£	£	£	£	£
At 1st April 2018	11,645	14,458	11,557	32,313	69,973
Additions in the Year	-	-	474	1,710	2,184
Disposals In The Year	(11,645)	(8,666)	(6,536)	(4,863)	(31,710)
At 31st March 2019	-	5,792	5,495	29,160	40,447
Depreciation					
At 1st April 2018	11,645	7,773	8,134	22,524	50,076
Charge in the Year	-	1,323	752	1,832	3,907
Disposals In The Year	(11,645)	(5,412)	(4,825)	(3,803)	(25,685)
At 31st March 2019	-	3,684	4,061	20,553	28,298
Net Book Value at 31st March 2019	-	2,108	1,434	8,607	12,149

The fixed assets represent the value of assets incorporated into these accounts from SolarAid Tanzania, SolarAid Kenya, SunnyMoney Kenya, SolarAid Malawi, SolarAid Uganda, SolarAid Zambia and SolarAid (the Charity).

The Charity (included above)	Website Dev.	Furniture, Fixtures & Fittings	Computer Equipment	Motor Vehicles	2019 Total
Cost	£	£	£	£	£
At 1st April 2018	11,645	2,482	-	-	14,127
Additions in the Year	-	-	223	-	223
Disposals in the Year	(11,645)	(2,138)	-	-	(13,783)
At 31st March 2019	-	344	223	-	567
Depreciation					
At 1st April 2018	11,645	877	-	-	12,522
Charge in the Year	-	188	-	-	188
Disposals In The Year	(11,645)	(917)	-	-	(12,562)
At 31st March 2019	-	148	-	-	148
Net Book Value at 31st March 2019	-	196	223	-	419

9. Investments

The Charity has unlisted investments with a historical cost as follows:

	Charity	
	2019	2018
Cost	£	£
SunnyMoney Global Ltd - 100% investment	58,795	58,795
SunnyMoney Kenya Ltd - 1% investment	8	8
SolarAid Uganda Ltd - 1% investment	2	2
	58,805	58,805

A capitalisation of SunnyMoney Global Ltd took place during 2012/2013 resulting in an addition of 58,793 £1 shares to the initial holding of £2.

SunnyMoney Global Ltd has been consolidated into these accounts. SunnyMoney Kenya Ltd and SolarAid Uganda Ltd have also been consolidated into these accounts on the basis that the remaining 99% of the shares of each are held by the aforementioned SunnyMoney Global Ltd.

For the year ended 31 March 2019

10. Debtors

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Prepayments and accrued income	654,521	99,389	642,850	87,442
Amounts due from Subsidiaries	-	-	255,723	149,979
Loans to partners	15,729	-	-	-
Trade debtors	21,177	7,152	-	-
	691,427	106,541	898,573	237,421

11. Creditors: amounts falling due within one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Creditors and accruals	208,532	193,318	33,595	27,025
Loans	50,000	50,000	-	-
Amounts owed to Subsidiaries	-	-	77,737	-
UK taxation & social security costs	8,674	7,500	8,674	7,500
Overseas taxation & social security costs	(75,488)	(81,608)	-	-
	191,718	169,210	120,006	34,525

The loans are unsecured and repayable within 12 months of the year end.

12. Company limited by guarantee

The UK Charitable company is limited by guarantee and does not have share capital.

13. Analysis of group net assets between funds

For the year ending 31 March 2019

	Unrestricted Funds	Restricted Funds	Total 2019
	£	£	£
Intangible assets	280	-	280
Tangible assets	12,149	-	12,149
Current assets	1,351,958	133,414	1,485,372
Current liabilities	(191,718)	-	(191,718)
Long-term liabilities	-	-	-
	1,172,669	133,414	1,306,083

For the year ending 31 March 2018

	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£
Intangible assets	37,561	-	37,561
Tangible assets	19,897	-	19,897
Current assets	588,995	63,857	652,852
Current liabilities	(169,210)	-	(169,210)
Long-term liabilities	-	-	-
	477,243	63,857	541,100



For the year ended 31 March 2019

14. Movement in funds

	Balance at 01.04.18	Income	Expenditure	Balance at 31.03.19
	£	£	£	£
<u>Restricted funds:</u>				
DFID - multi-country Programme Work	863	172,005	139,472	33,396
Malawi Programme Work	2,392	152,856	114,286	40,962
Multi-country Programme Development Work	-	105,874	75,163	30,711
Tanzania Programme Work	-	240	240	-
Zambia Programme Work	60,602	32,547	64,804	28,345
	63,857	463,522	393,965	133,414
<u>Unrestricted funds:</u>				
General Funds	477,243	1,794,915	1,099,489	1,172,669
Total funds	541,100	2,258,437	1,493,454	1,306,083

For the year ending 31 March 2018

	Balance at 31.03.17	Income	Expenditure	Balance at 31.03.18
	£	£	£	£
<u>Restricted funds:</u>				
DFID - multi-country Programme Work	13,577	166,256	178,970	863
Malawi Programme Work	52,173	(30,946)	18,835	2,392
Multi-country Programme Development Work	-	77,264	77,264	-
Tanzania Programme Work	-	238	238	-
Uganda Programme Work	209,377	40,000	249,377	-
Zambia Programme Work	-	71,304	10,702	60,602
Light distribution in Syria	-	6,575	6,575	-
	275,127	330,691	541,961	63,857
<u>Unrestricted funds:</u>				
General Funds	195,421	1,093,597	811,775	477,243
Total funds	470,548	1,424,288	1,353,736	541,100

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

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Net movement in funds	764,983	70,552	805,577	(92,948)
Add back depreciation charge	10,014	10,921	1,409	2,479
Add back amortisation charge	37,281	11,155	1,341	2,170
Deduct interest income shown in investing activities	(42)	(29)	(5)	(2)
Decrease / (increase) in stock	(44,150)	4,320	-	-
Decrease / (increase) in debtors	(584,886)	23,734	(661,152)	195,903
Increase / (decrease) in creditors	22,508	(50,246)	85,481	(39,694)
Net cash used in operating activities	205,708	70,407	232,651	67,908

16. Financial commitments

As at 31st March 2019, the charity did not have any annual commitments under non-cancellable leases or other financial commitments (2018: £0).



For the year ended 31 March 2019

17. Related party transactions and trustee expenses

For the whole of the year, the charity was under the control of the Trustees, who are also the Directors of the company for the purposes of Company Law, as shown on page 2. During the year £0 (2018: £0) was spent to cover various expenses relating to Trustees. The Trustees are not remunerated for the positions they hold.

Intercompany Loans with SolarAid

	Opening balance at 1 April 2018 (net of provisions)	Grants made by SolarAid	Working capital support made by SolarAid	Income received in SolarAid on behalf of sub.	Expenses incurred on behalf of SolarAid	Closing balance at 31 March 2019 (net of provisions)
	£	£	£	£	£	£
SunnyMoney Global	(31,356)	-	15,055	(25,150)	(4,133)	(45,584)
SolarAid Malawi	103,923	(91,085)	143,210	(17,654)	(741)	137,653
SolarAid Zambia	109,565	(135,762)	158,776	(11,923)	(2,586)	118,070
SolarAid Uganda	-	(42,010)	42,010	-	-	-
SolarAid Tanzania	(32,153)	-	-	-	-	(32,153)
	149,979	(268,857)	359,051	(54,727)	(7,460)	177,986

18. Overseas group entities

To comply with local overseas legislation, SolarAid has established a number of legal entities that are fully controlled by SolarAid and their accounts are therefore consolidated within the accounts of SolarAid. These organisations are listed in Note 19 below.

19. Consolidation

The Charity's subsidiary companies listed below have been consolidated into the SolarAid accounts in accordance with the Charities' SORP 2015.

The active subsidiaries are:

SunnyMoney Global UK Ltd (Registered in England and Wales, CRN 7788918) - 100% owned by SolarAid

SolarAid Zambia Ltd (Company Limited by Guarantee, registered in Zambia, CRN 75087) - ownership through 100% control by SolarAid

SolarAid Malawi (Unincorporated NGO, registered in Malawi, NGO C391/2008) - ownership through 100% control by SolarAid

The dormant subsidiaries are:

SolarAid Malawi Ltd (Company registered in Malawi, CRN 9144) - 100% owned by SolarAid Malawi

SunnyMoney Kenya Ltd (Company registered in Kenya, CPR/2012/70931) - 99% owned by SunnyMoney Global UK Ltd & 1% owned by SolarAid

SolarAid Uganda Ltd (Company registered in Uganda, CRN 90226) - 99% owned by SunnyMoney Global UK Ltd & 1% owned by SolarAid

SunnyMoney Tanzania Ltd (Company registered in Tanzania, CRN 67879) - 100% owned by SunnyMoney Global UK Ltd

SolarAid Tanzania Ltd (Company Limited by Guarantee, CRN 67958) - ownership through control

SolarAid Kenya (Unincorporated NGO) - ownership through control

For the year ended 31 March 2019

20. Prior year Consolidated Statement of Financial Activities

	Unrestricted Funds	Restricted Funds	Total 2018
Income	£	£	£
Donations	525,714	-	525,714
Income from Investments	29	-	29
Income from charitable activities:			
Programme related grants and donations	-	330,691	330,691
Income from distributing solar lights in Africa	561,498	-	561,498
Other income	6,356	-	6,356
Total Income	1,093,597	330,691	1,424,288
Expenditure			
Expenditure on Raising funds	137,804	-	137,804
Expenditure on Charitable activities	673,971	541,961	1,215,932
Total Expenses	811,775	541,961	1,353,736
Net income/(expenditure)	281,822	(211,270)	70,552
Transfers between funds	-	-	-
Net movement in funds	281,822	(211,270)	70,552
<i>Reconciliation of funds</i>			
Total funds brought forward	195,421	275,127	470,548
Total funds carried forward	477,243	63,857	541,100





www.Solar-Aid.org
info@solar-aid.org
+44(0) 20 7278 0400
© SolarAid 2019

Photo: SolarAid/Patrick Bentley & SolarAid/Corrie Wingate

Registered Charity
Number: 1115960