

A woman in a patterned skirt and light shirt is reaching up towards a bright light fixture in a rustic room. The room has wooden pillars and a corrugated metal ceiling. The lighting is warm and focused on the woman.

ANNUAL REPORT AND FINANCIAL STATEMENT

1 APRIL 2020 - 31 MARCH 2021



WHY WE EXIST



578 million people across Africa live without access to electricity. Without electricity, families, communities, and businesses are limited. Millions rely on expensive and dangerous alternatives for basic lighting, such as candles and kerosene.

We are working to change this. We believe light changes everything and our vision is of a world where everyone has access to clean, renewable energy. Solar lights and systems can transform rural communities overnight by providing safe, clean, and reliable light and power in homes, schools, and health facilities. With a solar light, families can work, study, and feel safe after dark.

Just one lamp can transform the future for an entire family and can become the first step out of poverty. Over the past 15 years, SolarAid has distributed over 2.1 million solar lights across Africa, reaching 11.3 million people with clean, renewable light.

Our mission is to light up every home, school, and clinic in Africa by the end of the decade - using safe, clean solar power.

OUR SOCIAL ENTERPRISE: SUNNYMONEY

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. Therefore, we have adopted a model where we create a local market which allows our solar lights to reach the people and places that the traditional market does not reach.

Through our award winning social enterprise, SunnyMoney, and other partner organisations, we help create access to solar power and lighting by catalysing solar markets in rural communities without access to electricity, and by continually developing innovative models that go beyond the market. This way we bring solar light and power to those who need it most.

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MESSAGE FROM OUR CHAIR



Against the backdrop of the global COVID-19 pandemic, 2020/21 was a pivotal year for SolarAid. The board of trustees is hugely proud of the staff team who demonstrated resilience and continued delivering on impact, whilst coping with significant disruption and personal challenges. We end the year stronger than ever because of them and because of our supporters, who continue to put faith in our mission.

Jeremy Leggett, founder of SolarAid, stepped down as Chair in February 2021. As incoming Chair, I would like to give huge credit to Jeremy, who succeeded in making his vision a reality. At the same time as creating a successful for-profit solar company, Solarcentury, he recognised the need and opportunity for a not-for-profit organisation to help bring solar power to African domestic markets.

With solar enterprise now taking off in major African markets, our mission has shifted to centre around those with least access to energy; to those most disadvantaged, who continue to face danger from darkness and unsafe alternatives. We continue to believe in a social enterprise model, creating decent work and sustainable interventions, but we recognise that the hardest to reach will remain in the dark without further innovation. Although the idea is simple enough, implementing it will be hard. We choose to do the difficult.

Covid-19 hit just as our teams were implementing scale-up and trialling new partnership models. Staff welfare is a priority for the Board, and we are hugely proud of our country teams, who put new plans in place to do what they could in very difficult circumstances. Some things were put on pause, but the teams also adapted to carry on and ramp up activities where needed most. I am hugely proud of the positive impact they have had on so many lives, bringing light and hope during these difficult times.

With a pivot in strategy, we also chose to strengthen the board. In February 2021 we welcomed three new Board members, bringing diverse experience and useful new perspectives.

Ujunwa Ojemeni is an energy and development expert with finance and policy experience focussed on driving the achievements of SDG7. She is also a passionate advocate for gender inclusivity.

Jamal Gore is an expert in sustainable energy and climate change initiatives, having worked for many years across Africa and Latin America.

Simon Usher is an experienced international development strategist with a passion for issues relating to the most marginalised.

As ever, our ability to grow, to test new models, and to expand into new territories is only limited by our ability to attract predictable flows of funding. Our core supporter base has been phenomenal, and I want to thank each one of you that has continued to support us through our transition, especially through this difficult year. The board is particularly delighted that Statkraft, which acquired our long term corporate partner SolarCentury, confirmed their commitment to support SolarAid for the next three years. Their £2 million commitment allows us to properly plan ahead and invest in our mission.

As we face so many global challenges, from climate change to the pandemic, we remain grateful to all of our partners, who allow us to improve the lives of those largely forgotten, those who can greatly benefit from solar light, ending the darkness and providing a better quality of life and countless opportunities.



Mirjana Skrba, Chair of Trustees



WELCOME FROM OUR CEO

Working through a global pandemic has been a challenge for us all. For SolarAid, it meant that we have had to continually adapt the way we work as we prioritise the health and safety of our staff and the communities we work with. However, despite the challenges we have been facing as an organisation, and as the world at large, we are immensely proud of what we have achieved together over the past year.

We have been amazed by the continuing support from our supporters, despite facing many challenges of their own. We thank you - this work cannot continue without you. Your support has fired on the positive attitude of our team members and I have been struck by their unwavering commitment to delivering on our mission.

However, the need for solar lighting and access to clean renewable energy has not gone away. Millions of families are still living in poverty, without access to electricity in their homes, schools or health facilities and there is an alarming increase in extreme weather, as a result of the changing climate, which is impacting the poorest, most vulnerable communities the most.

At the same time, we know we have the solutions, the technology, and innovative models needed to keep battling energy poverty and fight climate change.

In this report you will be able to read about how we have continued to bring solar power and lighting to the homes, schools, and health facilities that need it most. We are committed to ensuring that no one is left behind. No one is left in the dark. Thank you.

John Keane, CEO SolarAid

"We have been amazed by the continuing support from our supporters, despite facing many challenges of their own. We thank you - we cannot do this work without you."

548M

*people in sub-Saharan Africa
without access to electricity.*

3 IN 4

*health clinics in sub-Saharan Africa
lack reliable access to electricity.*

65%

*of schools in sub-Saharan Africa
are without access to electricity.*

BUILDING SUPPORT FOR OUR MISSION

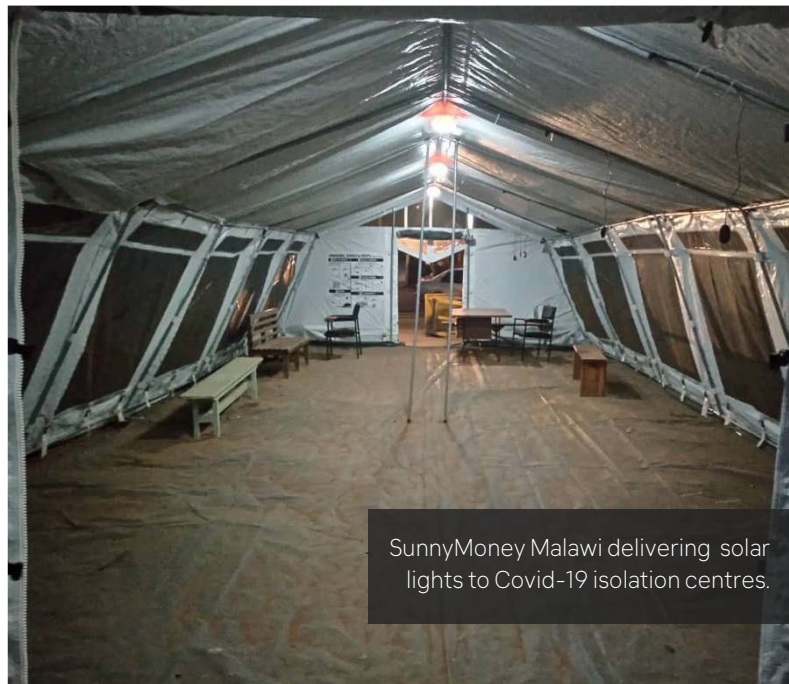
Together with our supporters across the world, our UK based team switched to online remote working as we all got used to the new normal as the Covid-19 pandemic descended upon us. We did our very best to keep each other's spirits up with daily online team meetings. We also made the decision to downsize to a smaller office, with many team members now embracing a more flexible work culture, splitting time in the office with remote working. This also helps save money.

As the pandemic began to spread across Africa, we were able to launch our Moment of Sunshine Appeal, which our wonderful supporters quickly responded to! This enabled us to get emergency light and power to where it was needed the most. Working together with local health ministries, we distributed thousands of solar products to health workers, clinics and emergency facilities across Malawi and Zambia.

We also carried out a review of our overall mission as an organisation. We are proud to have led the way to help establish and catalyse solar markets across Kenya, Tanzania, Uganda, Malawi, Senegal and Zambia. This means that many people will now gain access to solar lighting and power without us. However, many homes, schools and clinics remain in the dark. Our role, therefore, is ensure that the hardest to reach, most marginalised, populations across the continent also gain access to solar light and power by 2030.

An important part of our work will be to focus on designing and testing new, innovative, models which enable us to bring solar light and power to everyone. We will not achieve this alone, however, but rather by open sourcing our work, sharing our knowledge and engaging in partnerships that help us expand our footprint and get solar light and power out to where it is needed most.

2021 also saw us launch an exciting new website and grow both our operational team and our board of trustees, as we continue to build support for our mission.





MALAWI IMPACT

303,023

SOLAR LIGHTS DISTRIBUTED

1,581,780

PEOPLE REACHED BY SOLAR

640,801,829

MORE CHILD STUDY HOURS

158,416.5

CO₂ EMISSIONS AVERTED

£8,580,369

SAVED BY FAMILIES

Mandevu Village, Malawi, hub for 'Project Switch'.
Photo: SolarAid / Thoko Chikondi.



ZAMBIA IMPACT

290,827

SOLAR LIGHTS DISTRIBUTED

1,745,834

PEOPLE REACHED BY SOLAR

1,308,136,065

MORE CHILD STUDY HOURS

120,727.3

CO₂ EMISSIONS AVERTED

£11,661,834

SAVED BY FAMILIES

SunnyMoney Zambia travel long distances to reach rural communities with clean, safe, solar light.
Photo: SolarAid/Jason J Mulikita.

POWERING HOMES

57% OF THE POPULATION LIVE WITHOUT ACCESS TO ELECTRICITY IN ZAMBIA.

IN MALAWI, ONLY 11% OF THE POPULATION HAVE ACCESS TO ELECTRICITY.

A majority of families living in rural Zambia and Malawi lack access to electricity. As the sun sets, it becomes pitch black and even the simplest of chores become a struggle. Studying or working becomes impossible. The lack of access to electricity traps families in poverty and reduces their sense of security.

To escape the darkness, many families turn to expensive or dangerous lighting sources such as poor quality torches, candles, kerosene lamps, or even burning straw fires in their homes. These alternatives pollute the environment and the lungs, and can often lead to tragic accidents.

SolarAid works on several fronts to ensure clean, safe solar lighting reaches rural communities.

Through local schools and headteachers, we build trust and demand for solar lights. We then train and support local entrepreneurs so they get the lights out in their communities.

We also work with microfinancing models. This helps the entrepreneurs who want to start a business but cannot afford stock to start with. With access to finance, local entrepreneurs from any background can transform their own countries for the better.

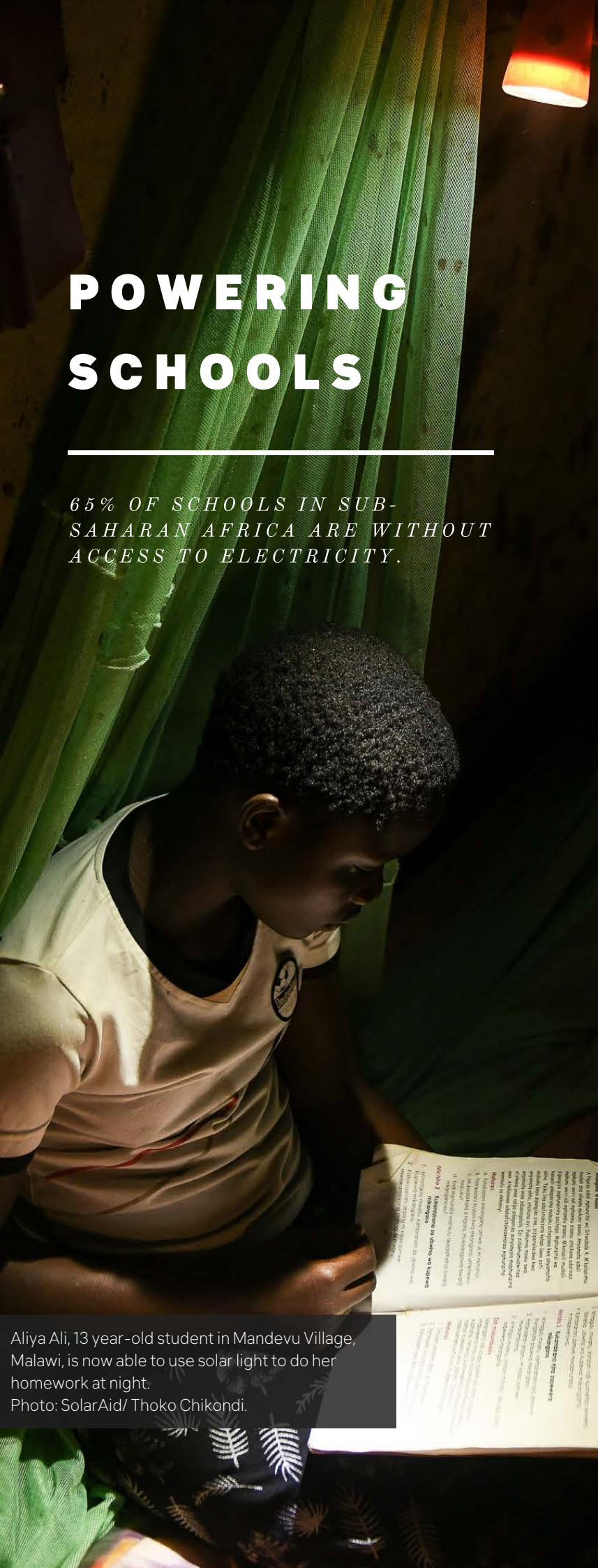
On the customer side, even the most affordable solar light can sometimes be too expensive. We have launched several innovative programmes to overcome this problem. We work with Pay-As-You-Go (PAYG), a financing mechanism which helps spread the cost of a product over time. We have also launched Light Libraries, which allow students to rent a solar light at their school for the night.

In Malawi, we are working with two programmes aiming to light up whole villages through community involvement and energy hubs, Project Switch (2019) and Light a Village (2021). Access to solar can transform the future for a family. A simple solar light gives off hours of clean light throughout the night, and allows families to study, work, and feel safe after dark.

Thanks to the access to solar light, Nelia Mbewe can now help her daughters with their homework at their house in Mandevu Village, Malawi.
Photo: SolarAid/Thoko Chikondi

POWERING SCHOOLS

65% OF SCHOOLS IN SUB-SAHARAN AFRICA ARE WITHOUT ACCESS TO ELECTRICITY.



Living without access to electricity has several implications on a child's education. Lack of light means children struggle to do their homework and risk falling behind at school. Some families are able to buy poor quality torches, candles, or kerosene for a bit of light, but the toxic smoke can infect a child's lungs and eyes.

With a solar light, children can study safely and schools can safely stay open after dark.

SolarAid is determined that no school will be left in the dark by 2030. We have an extensive network of local schools in rural communities and we collaborate with head teachers to get solar light to rural families.

In 2019, SolarAid launched Light Libraries, an innovative programme designed specifically to reach the poorest students and their families. Like a book library, but for solar lights - for as little as 1p a day, students can borrow a solar light.

Each Light Library school is also equipped with a solar home system, lighting up classrooms and enabling a higher standard of education.

One solar light gives a student 1,006 extra study hours. One solar light can transform a child's future.

"Renting solar torches every day and being able to study at night has helped me quite a lot. Now my grades have improved."

**- ALIYA ALI,
STUDENT, MALAWI**



Aliya Ali, 13 year-old student in Mandevu Village, Malawi, is now able to use solar light to do her homework at night.
Photo: SolarAid/ Thoko Chikondi.

POWERING HEALTHCARE

*1 IN 4 HEALTH CLINICS IN
SUB-SAHARAN AFRICA OPERATE
WITHOUT ACCESS TO
ELECTRICITY.*



Without access to power, health facilities are unable to provide modern healthcare. Yet, 3 in 4 health clinics in sub-Saharan Africa lack access to reliable electricity. Health care workers are left to tend to patients in the dark - often with a candle or a mobile torch as their only lighting source. Millions of people, in particular women, children, and the elderly, are left vulnerable.

We have committed to ensuring that no clinic in Africa is left in the dark. Working together with local health partners, we have been developing programmes that aim to demonstrate that plug and play solar systems and handheld medical appliances can be used to develop a sustainable, replicable, and scalable model through which rural health facilities have improved access to a wider range and higher quality of healthcare services.

In Zambia, we partnered with the Ministry of Health to deliver urgent support during the COVID-19 pandemic. With support of the UK Foreign, Commonwealth and Development Office's (FCDO) Frontier Technology Livestreaming programme, we then partnered with Churches Health Association (CHAZ), to launch a Powering Healthcare pilot to deliver solar powered medical equipment and lighting to 10 rural health clinics and test ways to scale up this work.

In Malawi, following on from our COVID-19 response, with the support of ICG, we partnered with the Ministry of Health to bring light, power and energy efficient medical appliances to a further 20 health facilities.

"You can't do anything. You need light to examine your patients, and to run lab tests. Not even the simplest thing you can do without light."

**- MARIANNE MWALE,
LAB TECHNOLOGIST,
ZAMBIA**



Medical Assistant Geoffrey Makawa attends to Magrat Patrick, the last patient to be treated in the dark at Mtimabii Health Centre, Malawi. Photo: SolarAid/Chris Gagnon.

SOLARAID'S IMPACT 2020 - 2021

**42,507
LIGHTS**



131,206,141
EXTRA CHILD
STUDY HOURS



£1,637,915
SAVED BY FAMILIES



20,356
TONNES OF CO₂
EMISSIONS AVERTED



235,461
PEOPLE REACHED
WITH SOLAR



102,502
PEOPLE EXPERIENCING
BETTER HEALTH

2020 - 2021 HIGHLIGHTS

COVID-19 EMERGENCY RESPONSE

As the COVID-19 pandemic spread across the world, SolarAid acted quickly. Knowing that an estimated 75% of health clinics in sub-Saharan Africa lack access to reliable electricity, we partnered with local health authorities to put together a COVID-19 response plan.

We implemented a plan which brought light and power to rural health facilities and newly set up isolation sites across Malawi and Zambia. We also equipped rural health workers with solar powered lights and phone chargers, alongside disseminating important information about the virus to rural villages. In total, we distributed over 4,350 solar lights, chargers and systems.

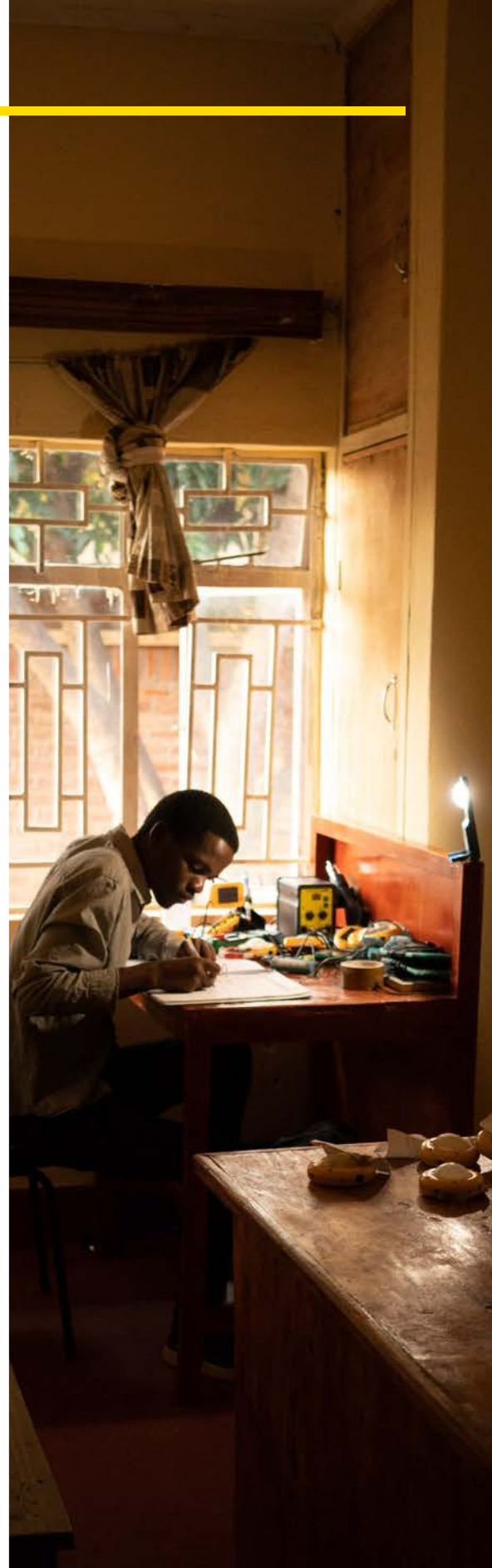
POWERING HEALTHCARE PILOT ZAMBIA

In 2020, SolarAid started a pilot project as part of the Frontier Technology Livestreaming Programme funded by the Foreign Commonwealth and Development Office. Together with our partner Churches Health Association of Zambia (CHAZ), we are working on providing innovative solutions to increase medical capacity at ten rural Zambian health centres by installing multi-light solar home systems that also power small medical appliances such as pulse oximeters and foetal dopplers.

We are committed to using solar power to improve healthcare provision and ensure that no patient has to be treated in the dark.

MAYI WALAS MALAWI

We recognise that having women at the forefront of our work is essential to achieving our mission. In March 2021, SolarAid launched the Mayi Walas programme in Malawi. This programme combines access to training, finance and long-term business support to strengthen female entrepreneurs to break through the barriers they face in launching, growing, and scaling successful solar businesses.



Rolama Rowole is repairing solar lights for SunnyMoney Malawi.
Photo: SolarAid/Chris Gagnon.

E-WASTE REPAIR APP

In 2019, SolarAid was awarded the Global LEAP e-waste challenge award so we could kick-start new projects designed to extend the life of solar products, develop solar repair infrastructure, and reduce levels of solar electronic-waste. We also ran a take-back scheme in rural Zambia to help people living in remote communities exchange old products for vouchers to help them purchase new ones.

In 2020, we launched a mobile app, as well as a printed manual, to help both customers and repair technicians troubleshoot problems with solar lights and assist repair. We are proud to be introducing new tools, skills, and spare parts that are enabling technicians to extend the life of solar products and reduce levels of e-waste.

LIGHT A VILLAGE MALAWI

In March 2021, SolarAid launched the pilot programme 'Light a Village'. A programme that aims to provide solar lights to every household, 500 homes, in one single rural village in Central Malawi. In order to achieve this, every home will receive a solar home system for free and pay for their energy usage on a pay-as-you-go-basis. Our goal is to develop a model through which every household is able to access solar powered lighting.

SOLARAID NEW WEBSITE

To achieve our ambitious goal of lighting up every home, school, and clinic in Africa by 2030, we are spreading awareness about our mission and sharing the transformational stories of people whose lives have been transformed by access to solar power. In 2020, we launched our new website allowing us to share the stories of the people we work with and updates on our latest innovations.

ELLESOLAIRE PARTNERSHIP

We are proud to have continued our partnership with ElleSolaire in Senegal, which is supporting female solar entrepreneurs to increase access to solar light and power in rural communities.



Solar light is coming to Kesilina Chiwoza's village in Malawi through our programme 'Light a Village'.
Photo: SolarAid / Chris Gagnon

THE COVID-19 RESPONSE

With 75% of rural health clinics lacking access to power in sub-Saharan Africa, we are dedicated to powering health clinics to build resilience.

In sub-Saharan Africa, 75% of health clinics lack access to electricity. Healthcare staff are treating patients in the dark, and patients are often asked to bring their own candles when visiting clinics. When the COVID-19 pandemic hit in March 2020, we rapidly established partnerships with the Ministries of Health in Zambia and Malawi to put together a rapid response plan to distribute solar products to rural health clinics. Over the coming months, we were able to bring light and power to rural health facilities and COVID isolation centres across the countries.

Lack of access to electricity also meant a slow flow of accurate information about the virus to rural villages. Healthcare staff had difficulties communicating with each other and myths about the virus were spreading in communities. People were not receiving trusted information and advice about how to stay safe. Therefore, we also focussed part of our response on information flow by equipping health workers with solar powered lights and phone chargers which would help them communicate with rural communities, as well as each other.

As our field teams were working from home, we used our extensive database and call centres to contact thousands of rural households and community members to disseminate accurate information about the virus.



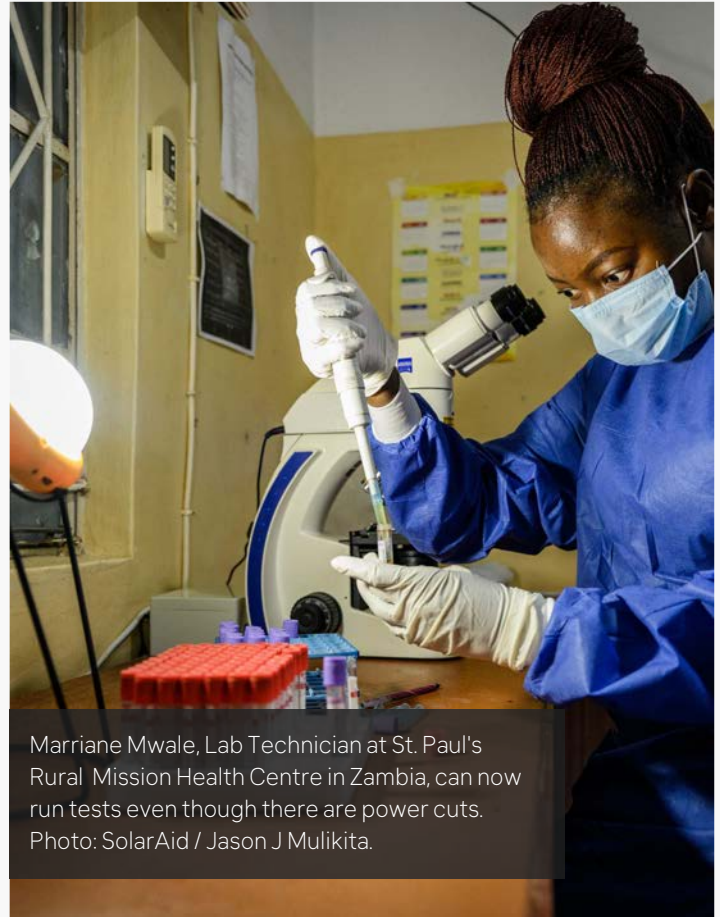
Sister Grace Mukupa at St. Paul's Rural Mission Health Centre in Zambia, is attending to a patient. Photo: SolarAid / Jason J Mulikita.

As the pandemic progressed throughout the year, we recognised how essential light and electricity were for doctors and nurses on the frontline to fight the outbreak of the virus and build resilience. We continued to establish long-term relationships with local health partners to light up more rural health facilities across the countries.

The lack of electricity during the outbreak also affected education for children living in rural communities. During the school closures, physical classes moved to distanced self-study materials and radio lessons. However, in a country where 96% of the rural population lack access to electricity and there is a significant lack of radios in homes, few students in rural areas could attend the radio classes and were rapidly falling behind. This had difficult consequences, such as a dramatic increase in teenage pregnancies and child marriage.

In October 2020, in the Balaka district in Southern Malawi, a response plan was put together to support some of their most vulnerable students through distributing solar powered radios - an initiative that SolarAid could support. The solar powered radios would allow children to access the radio aired classes, as well as provide safe light to study by at night.

The COVID-19 pandemic is not over yet. At SolarAid, we will keep innovating so more people can have access to energy, and local health partners can build greater resilience.



Marriane Mwale, Lab Technician at St. Paul's Rural Mission Health Centre in Zambia, can now run tests even though there are power cuts. Photo: SolarAid / Jason J Mulikita.

"Learners who have been facing different challenges will now have access to solar radios, so that they continue listening to education programs that the government has developed to help those in rural areas and those that cannot manage to come to school because of the COVID-19 pandemic."

**- BRAVE MHONIE,
GENERAL MANAGER, SUNNYMONEY MALAWI**



MAYI WALAS

SolarAid has launched a new programme to recruit, train and support female solar entrepreneurs in rural Malawi. Mayi Walas means “Shining Mothers” in Chichewa, Malawi’s national language.

This new programme combines access to training, finance, and long-term business support to empower female entrepreneurs to break through the barriers they face in launching, growing, and scaling successful businesses.

We have developed the Mayi Walas programme to tackle three problems: Energy access in Malawi: 82% of Malawi’s population does not have access to electricity (World Bank 2018).

Women and energy access: Energy poverty disproportionately affects women and girls. As primary users of energy in the home, lack of access to clean and safe electricity means women and girls are disproportionately affected by household air pollution.

Women and business: Women in sub-Saharan Africa face far more barriers than men to launching, growing, and scaling sustainable business due to balancing the demands of household responsibilities and a lack of access to training, financial services, and viable markets.

The Mayi Walas programme sets out to change the narrative on women as victims of energy poverty, recognising that they are in fact key agents of change in accelerating energy access, and we will not achieve our mission without them. There is growing research that women are perfectly placed to bring renewable energy to their communities.



Felia Jimu is the chairperson of the Mayi Wala group 'Kalunga' in Salima, Malawi. She also manages the group's honey beehive business. Photo: SolarAid/ Mphatso Nswewa.

As the primary users of energy in the home, female entrepreneurs are best placed to communicate the benefits of solar to female customers, leading to accelerated adoption rates.

Women are trusted members within their communities. They have access to vast social networks beyond the reach of existing markets providing a ready customer base.

Providing viable income opportunities for women is essential to drive communities out of poverty. Female entrepreneurs are strong agents of change, contributing significantly to their communities and national economies. Small and Medium Enterprises (SMEs) owned by women make up 31-38% of the SMEs in developing markets (IFC 2011). Supporting rural women to be successful solar entrepreneurs will be key to accelerating energy access in Malawi.

Over the next 18 months, we will establish 150 Mayi Wala groups (1,500 women) to become thriving solar entrepreneurs, which will provide access to over 90,000 people in rural Malawi.

This year, we have established partnerships with stakeholders that currently work with Village Savings and Loans groups to help us identify established groups who will benefit most from the Mayi Walas opportunity.

Thanks to key funding supporters, we are now beginning to recruit the first 40 Mayi Wala groups planned for 2021. From January 2022, we will roll out the programme to establish the remaining 110 groups across the whole of Malawi. We are excited to see the impact that these "Shining Mothers of Malawi" will have on rural energy access.



"I am already seeing the solidarity within the Mayi Wala groups doing solar business. I am motivated by seeing the smile of a woman realising she no longer needs worry about income only coming from what little farm produce she has to sell."

**- MPHATSO NSEWA,
MAYI WALA PROJECT SUPERVISOR, MALAWI**





In Zambia, our ongoing work with Entrepreneurs to reach the most rural areas is increasing. With the increasing number of solar lights distributed, we are also focusing on the full lifecycle of solar products, building local repair capacity to extend product life and looking at ways to reduce e-waste. This photo is an example of reusing the materials of products which have reached their end of life for artistic purposes. Photo: SolarAid/Courtney Paisley.

LIGHT A VILLAGE

Only 4% of the rural population in Malawi has access to electricity. By installing solar home systems in 500 households, a whole village, we can give access to clean, safe light to every family in the village.

Without access to electricity, families are forced to turn to dangerous alternatives such as homemade torches, candles, and kerosene lamps. These options aren't only expensive, but they are also imperilling health, impairing education, and emitting carbon into the atmosphere.

In February 2021, we launched the project Light a Village in Ntchisi district, Traditional Authority Kasakula, Malawi. Ntchisi is a rural, off-grid village. The majority of people living there make their income from farming with an average income of £50/month. This is mainly spent on food and farm inputs, leaving little for energy consumption. Therefore, in rural villages like Ntchisi, when the sun sets, it gets pitch black quickly.

The families in the village have told us their top priorities for lighting are for cooking, security, and homework, but without access to electricity, many households are forced to choose poor, or dangerous lighting sources as the sun sets.

Even though 67% use battery torches for lighting at night, 26% of households are left to rely on open flames such as kerosene lamps, candles, and grass-fire in their homes for lighting.



Ntchisi District, Malawi, hub for 'Light a Village'.
Photo: SolarAid/ Chris Gagnon.

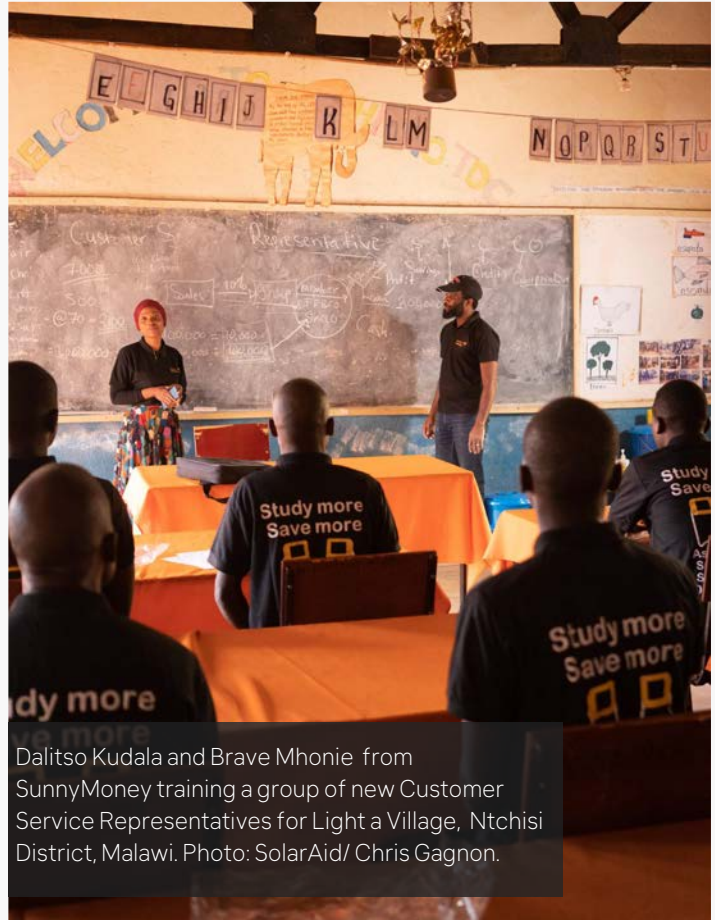
The average household in Ntchisi uses 4 candles per week. These alternatives are costly and polluting, and they can be dangerous.

Accidents caused by the use of open flames are not uncommon in the village. Bisayi Kaunda, a farmer who lives with his wife and their two children, experienced a terrible accident in 2020 when one of Bisayi's children was using straw fire to search for ingredients while cooking porridge. The fire came into contact with the grass thatched roof, and the family's whole house burned to the ground. After that, the family decided to invest in a small torch. However, Bisayi says, "The current torch is too small, and not effective. Besides, using the torch is very costly because it requires buying three battery cells every four days."

Through Light a Village, solar home systems will be installed in all households in the village, giving the households the option to use solar through a Pay-As-You-Go payment scheme. This will reduce the upfront investment that households must commit to in order to access solar power.

The objective of the project is to test the Pay-As-You-Go service model and ensure that every house in the region has access to affordable, reliable, sustainable, and modern energy to ensure that families will be able to cook, work, study, and socialise at night.

Having access to light in the evening will drastically improve the wellbeing of the community. Not only will the homes in Ntchisi have light, but children will be able to study more, household health will improve, families will save money, and CO emissions will be averted from the atmosphere helping to mitigate climate change.



Dalitso Kudala and Brave Mhonie from SunnyMoney training a group of new Customer Service Representatives for Light a Village, Ntchisi District, Malawi. Photo: SolarAid/ Chris Gagnon.

“Many people in the area use firelight in their houses, hence there have been many incidents of house fires.”

**- BISAYI KASUNDA,
FARMER, NTCHISI**



THE YEAR AHEAD

SUPPORTING ENERGY BUSINESS

Longevity in creating and maintaining a solar lighting market will be achieved by creating an ecosystem of independent, successful businesses. In Zambia, we will continue to recruit, train and support solar agents to serve rural communities across the country. In Malawi, we will continue to develop a nationwide network of energy businesses, which are run by independent 'Super Agents.'

LIGHT LIBRARIES

We will conclude the learnings from the Mankhamba zone pilot in Malawi to inform our scale-up plans. We will be engaging with the Ministry of Education as well as Local Education Authorities to ensure the model will be launched in partnership.

As of January 2022, we will begin scaling our Light Libraries programme across the whole of Malawi. We will begin launching in areas with established energy businesses to ensure the growing demand can be fulfilled.

REPAIR AND RECYCLING

We will be continuing to develop solar light repair networks in Malawi and Zambia ensuring that spare parts are available alongside the tools and training needed to help extend the life of aging solar products and to reduce e-waste. We will also be receiving more feedback on the repair app we developed to help customers troubleshoot problems and technicians to undertake successful repairs.

SUBSIDY AS A BUSINESS MODEL

Recognising that low income households struggle to afford solar lighting, we plan to test the use of subsidies in Zambia, to see if lower retail prices for entry level lights can help overcome the finance barrier which prevent many from being able to own a solar light. Solar lights will be treated as a loss leader, after which we will then work to bring households up the 'energy ladder' so that they can access greater levels of solar light and power.



A trader at a market in Rufunsa, Zambia using a solar light so she can keep her business open at night. Photo: SolarAid / Jason J Mulikita.

LIGHT A VILLAGE

500 Solar Home Systems (SHS) will be installed in the village of Ntchisi, Malawi, for our pilot Light a Village project. This is an innovation project which has been designed to make solar light and power affordable to every family in the village. We will be continually learning, adapting and increasing our understanding of what it takes to light up the every household, so that this can be replicated and scaled.

POWERING HEALTHCARE

Our healthcare pilots, in both Malawi and Zambia, will be in full swing next year. Following on from our Covid-19 response which helped bring emergency light and power to rural health facilities, we will continue our engagement with Ministries of Health and health partners as we implement and test models which provide light and power in rural health facilities. By combining the latest plug and play solar systems with quality, energy efficient medical appliances, we aim to develop a scalable and sustainable model which helps improve the health services available in basic rural health settings.

MAYI WALAS

The Mayi Walas programme launched in March 2021 and aims to recruit, train and support an initial 150 groups of female solar entrepreneurs, enabling them to launch solar light businesses. Following a 12 month incubation period, the Mayi Walas' energy businesses will be invited to become members of FEBCO, where they will be able to access larger loans and ongoing support to sustainably scale their solar businesses. Our longer term goal is to expand this project across the whole of Malawi.

MICROFINANCING

COVID-19 delayed the launch of the new 'Financing Energy Businesses Cooperative' (FEBCO), an energy microfinance cooperative, designed to create a credit facility by pooling entrepreneurs' own funds to leverage additional funds from external sources. In September 2021, FEBCO plans to issue its first loans, allowing entrepreneurs to access working capital finance at affordable rates, as well as additional business support tools, services and training. Together with the Global Distributors Collective (GDC), we will also release a guide to help other interested last mile distributors set up a SACCO (Savings and Credit Cooperative) to enable access to fair and fast capital.



Smart Mtonga., Outreach Director, using solar lights at the hospital pharmacy at Rufunsa Rural Health Clinic, Zambia. Photo: SolarAid / Peter Caton

THE SUSTAINABLE DEVELOPMENT GOALS

Whilst SolarAid is actively working to accelerate the achievement of SDG 7, "access to affordable, reliable, and sustainable energy for all," our work positively impacts 12 of the 17 Sustainable Development Goals (SDG's).

We are reaching the poorest, most remote communities to provide access to affordable, reliable, and sustainable solar light (SDG 7).

Access to renewable light saves a family, on average, 10% of their income that they would otherwise spend on costly alternatives. Our business model creates jobs and keeps income in the local economy. Families report spending their savings on food and input for their farms (SDG 1 & SDG 2).

Indoor air pollution now kills more people globally than HIV and malaria combined. 54% of our customers report improved health after switching to solar lights (SDG 3).

On average, in households with a solar light, children do an extra hour of study each night. Many teachers have told us about the positive impact they see on attendance, motivation, and results when children have access to light to study by (SDG 4).

Solar light extends business hours when darkness falls. We work to train and support agents to start their own solar business, and we are also ramping up our support and training of female entrepreneurs. Studies show that women are best placed to bring renewable energy to their communities (SDG 5 & SDG 8).

Access to electricity promotes industry and innovation. We work to catalyse solar markets (SDG 9).

By serving families who cannot afford grid-based power, we work to reduce inequalities (SDG 10).

Each solar light averts over 1 tonne of CO2 emissions, making a significant cumulative impact on mitigating climate change. Additionally, solar is inherently more sustainable than fossil fuels. We decouple economic growth from natural resource use - empowering communities with renewable technology (SDG 12 & SDG 13).

We work in collaboration with many other organisations to maximise our shared impact on the SDG's (SDG 17).

THANK YOU

We wish to thank all of our supporters in 2020/2021, including our individual supporters, as well as the following:



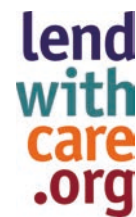
Our founding partners continued to support SolarAid through donating a 5% of profits. This year, Solarcentury made the biggest ever donation to SolarAid to help bring light and power to those who need it most.

In addition, we continue to get the support of employees through fundraising and volunteering. Without their support, our work would simply not be possible.*



ICG made a considerable commitment to support SolarAid in the toughest of times, due to the Covid-19 pandemic. ICG supported SolarAid to powering healthcare in Malawi.

With their support, we were able to light over 20 health clinics so they were better equipped to fight the pandemic for and deliver a higher level of modern health care to vulnerable populations.



NEXTEENERGY FOUNDATION

E Q FOUNDATION

IMPACT FUND

CARBON INTELLIGENCE

OXFORD UNIVERSITY PRESS

THE CALUMET TRUST

PIAGET

PIMCO

ZIMMERMANN PV-STAHLBAU

*Solarcentury is now part of the organisation Statkraft.

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. 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.

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.

MANAGING RISK

MANAGING PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees is 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

To mitigate this risk we ensure that fundraising plans aim to pursue diverse funding streams. SolarAid secures funding for its activities from a wide range of sources including Corporate partners, Trusts and Foundations, Governmental bodies and the general public. 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.

Adverse inflation and reduced spending power in country

Currency fluctuations in Zambia and Malawi mean imported goods and essential items are being sold at a premium and there is a reduced spending power amongst our customers. Operational costs increase as a result of inflation. We are committed to developing innovative ways of distributing solar that makes it affordable for everyone, particularly the poorest communities and those in need.

Long term effects of COVID-19

The long term effects of COVID on the world economy is unknown and we will continue to remain flexible in our operational model and review our outputs to ensure our focus remains on providing power to where it is needed most. We will continue to support our programmes through raising funds to maintain operational activity.

FINANCIAL MANAGEMENT

During the financial year the Group's income was £1,729,082 (2020: £2,546,516) and its resources expended were £1,738,925 (2020: £1,931,848).

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 outgoing resources of £9,843 (2020: net incoming resources of £614,668). After exchange rate gains on consolidation this resulted in total funds retained of £2,119,267 (2020: £2,009,114). These funds fall into two categories: restricted and unrestricted.

Unrestricted funds reduced during the year by £247,361 to close at £1,737,767 (2020: increased by £812,459 to close at £1,985,128).

Restricted funds, which are earmarked for particular programmes on which expenditure will be incurred in future financial years, stand at £381,500 as at 31 March 2021 (2020: £23,986). At 31 March 2021 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 group expenditure, estimated at £320,000 based on current levels of expenditure. The charity has free reserves of £1,320,981 (2020: £1,569,291). Free reserves are stated net of fixed assets and investments and intercompany loan balances. The free reserves are higher than normal due to a large unrestricted donation received in the previous year. Spending plans are in place to invest these funds over the multiple years. In addition to this the Trustees are confident that the level of free reserves is sufficient to sustain any uncertainties in relation to COVID-19.

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.

FINANCIAL PERFORMANCE OF SUBSIDIARIES

In addition to the impact performance provided on page 10 of this report, the summary financial performance of active subsidiaries were as follows:

	SolarAid (Malawi)	SolarAid (Zambia)	SunnyMoney Global (UK)
Total income	£ 447,188	£ 401,423	£ 10,255
Total expenditure	£ 511,214	£ 403,560	£ 8,194
Net surplus or deficit for the year	-£ 64,026	-£ 2,137	£ 2,061
Aggregate assets	£ 354,955	£ 204,102	£ 51,943
Agregate liabilities	-£ 476,879	-£ 317,215	-£ 6,12
Closing reserves position	-£ 121,924	-£ 113,113	£ 51,331

SolarAid and its subsidiaries set detailed annual budgets in advance each year. Overall the performance from subsidiaries in 2020/2021 were broadly in line with budget.

SolarAid Malawi currently has a closing reserves deficit of £121,924. 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.

SolarAid Zambia has a closing reserves deficit of £113,113. Again, these losses have been supported as necessary by SolarAid via working capital loans. Despite the net deficit SolarAid Zambia 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.

SolarAid adheres to the guidelines of the fundraising regulator and the Trustees confirm there have been no failures in complying with the fundraising standards, nor have they received any complaints with regard to the Charity's fundraising activity.

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 £525,960 (2020: £1,205,208) of programme related funding specifically to support market development through SunnyMoney. At the end of March 2021 SolarAid had invested £58,803 of share capital (2020: £58,805) and £240,176 in inter-company loans (2020: £171,273) 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 2021 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 the CEO and Key Staff and the Board acts on advice and information from regular meetings with the CEO and Key Staff. 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. In February 2021 Jeremy Leggett, SolarAid Founder, stood down as a Trustee of SolarAid. We are extremely grateful to Jeremy for his years of dedication and leadership. Whilst sad to see him leave we wish him all the best in his next endeavour. We also welcome three new Trustees who were appointed in February 2021:

Jamal Gore

Ujunwa Ojemeni

Simon Usher

SolarAid has a wholly owned trading subsidiary, SunnyMoney Global, and controls two African based trading entities. All trading activity is maintained by the subsidiaries and fully consolidated accounts have been prepared for the year ending 31st March 2021.

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 Key Staff 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 given under Charitable Objects above.

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 2021, which have been prepared in accordance with the Charity Statement of Recommended Practice – SORP 2015 and the Companies Act 2006.

This report has been prepared taking advantage of the exemptions available for small companies.

Approved by the Trustees and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M. Skrba', with a stylized flourish at the end.

Mirjana Skrba, Chair of Trustees, 17 December 2021

TRUSTEES, KEY STAFF AND PROFESSIONAL ADVISORS

As at 17 December 2021

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

Mirjana Skrba - Chair

Jeremy Leggett (resigned February 2021)

John Faulks

Ujunwa Ojemeni (appointed February 2021)

Simon Usher (appointed February 2021)

Jamal Gore (appointed February 2021)

Key Staff

John Keane – Chief Executive Officer

Brave Mhonie – Malawi General Manager

Karla Kanyanga – Zambia Operations Manager

Lorraine Hammond – Finance Director

Jamie McCloskey – Development Director

Sofia Ollvid - Head of Communications

Richard Turner – Director of Fundraising (appointed September 2021)

Company Number

3867741

Charity Number

1115960

Registered Office

Unit 1, Gnome House, 7 Blackhorse Lane, London, E17 6DS

Auditors

Crowe U.K. LLP

55 Ludgate Hill, London, EC4M 7JW

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 OF SOLARAID

OPINION

We have audited the financial statements of SolarAid ('the charitable company') and its subsidiaries ('the group') for the year ended 31st March 2021 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 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 2021 and of the group's 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The trustees are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 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:

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

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 29, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members and significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the group's and the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, taxation legislation and employment legislation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, the timing of recognition of cost of sales and stock related to distribution of solar lights, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board of Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, detailed substantive testing of income, cost of sales and stock, reviewing the work of component auditors, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 December 2021**

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

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from					
Donations	2	574,050	219,829	793,879	613,691
Investments		103	-	103	281
Charitable activities:					
Programme related grants and donations	3	-	525,960	525,960	1,205,208
Income from distributing solar lights in Africa		408,714	-	408,714	706,329
Other income		426	-	426	21,007
Total Income		983,293	745,789	1,729,082	2,546,516
Expenditure on					
Raising funds	4	300,707	-	300,707	237,210
Charitable activities	4	1,049,943	388,275	1,438,218	1,694,638
Total Expenditure	4	1,350,650	388,275	1,738,925	1,931,848
Net income/(expenditure)		(367,357)	357,514	(9,843)	614,668
Exchange rate gains/(losses)	14	119,996	-	119,996	88,363
Net movement in funds		(247,361)	357,514	110,153	703,031
<i>Reconciliation of funds</i>					
Total funds brought forward	14	1,985,128	23,986	2,009,114	1,306,083
Total funds carried forward		1,737,767	381,500	2,119,267	2,009,114

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 2021

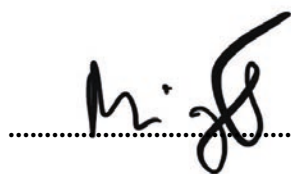
	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Intangible assets	7	-	280	-	280
Tangible assets	8	43,616	64,535	6,062	9,632
Investments	9			58,803	58,805
		<u>43,616</u>	<u>64,815</u>	<u>64,865</u>	<u>68,717</u>
CURRENT ASSETS					
Stock		380,874	306,159	-	-
Debtors	10	202,639	1,109,402	344,349	1,129,962
Cash at bank and in hand		1,777,555	780,376	1,693,917	709,929
		<u>2,361,068</u>	<u>2,195,937</u>	<u>2,038,266</u>	<u>1,839,891</u>
CREDITORS: amounts falling due within one year	11	<u>285,417</u>	<u>251,638</u>	<u>95,609</u>	<u>75,341</u>
NET CURRENT ASSETS		<u>2,075,651</u>	<u>1,944,299</u>	<u>1,942,657</u>	<u>1,764,550</u>
NET ASSETS		<u>2,119,267</u>	<u>2,009,114</u>	<u>2,007,522</u>	<u>1,833,267</u>
FUNDS OF THE CHARITY					
Unrestricted funds:-					
General funds	14	1,737,767	1,985,128	1,626,022	1,809,281
Restricted funds	14	381,500	23,986	381,500	23,986
		<u>2,119,267</u>	<u>2,009,114</u>	<u>2,007,522</u>	<u>1,833,267</u>

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 and authorised for issue by the Board of Trustees on 17 December 2021 and were signed on its behalf by:



..... **Mirjana Skrba - Chair**



..... **John Faulks**

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Group	
		2021 £	2020 £
Cash provided by operating activities	15	<u>992,373</u>	<u>268,115</u>
Cash flows from investing activities			
Interest income		103	281
Purchase of tangible fixed assets		(9,097)	(70,534)
Proceeds from the sale of fixed assets		13,800	7,116
Cash provided by (used in) investing activities		<u>4,806</u>	<u>(63,138)</u>
Cash flows from financing activities			
Repayment of borrowing		-	-
Cash used in financing activities		<u>-</u>	<u>-</u>
Increase in cash and cash equivalents in the year		997,179	204,978
Cash and cash equivalents at the beginning of the year		780,376	575,399
Cash and cash equivalents at the end of the year		<u><u>1,777,555</u></u>	<u><u>780,376</u></u>

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

SolarAid is an incorporated Charity (Charity registration number: 1115960) registered in England and Wales. The address of the registered office is Unit 1, Gnome House, 7 Blackhorse Lane, London, E17 6DS.

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 normal business risks as well as those created by the COVID pandemic which we have highlighted in other areas of our report.

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 INCOME

Donations, gifts, legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty 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.

NOTES TO THE CONSOLIDATED ACCOUNTS

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 and contract income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income from sales of goods is recognised when the sale occurs.

Income is deferred when income from performance related grants or contracts 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.

1.4 INTEREST RECEIVABLE AND INVESTMENT INCOME

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

1.5 EXPENDITURE

Expenditure is recognised in the period incurred on an accrual 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 raising 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.

NOTES TO THE CONSOLIDATED ACCOUNTS

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
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.

NOTES TO THE CONSOLIDATED ACCOUNTS

1.9 FIXED ASSETS INVESTMENTS

Fixed assets investments representing investments in subsidiaries are stated at historic cost.

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.

2. DONATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations	566,126	219,829	785,955	581,944
Pro bono legal advice	7,924	-	7,924	31,747
	<u>574,050</u>	<u>219,829</u>	<u>793,879</u>	<u>613,691</u>

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 £7,924 (2020: £31,747). The income equivalent is recognised within incoming resources as a donation, and a corresponding expense is included within legal costs.

NOTES TO THE CONSOLIDATED ACCOUNTS

3. INCOME FROM CHARITABLE ACTIVITIES

Grants receivable and other charitable income is shown for the year ending 31 March 2021:

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
SolarCentury	-	-	-	921,514
ICG	-	76,915	76,915	-
FCDO (formerly DFID)	-	57,208	57,208	-
Individual Major Donors	-	162,450	162,450	45,508
Swedish Postcode Lottery	-	87,321	87,321	-
Allan & Nesta Ferguson Charitable Trust	-	-	-	20,000
CLASP - Global LEAP	-	76,026	76,026	72,442
Signify Foundation	-	39,237	39,237	95,943
GDC	-	21,239	21,239	-
Other Country Specific	-	5,564	5,564	49,802
	<u>-</u>	<u>525,960</u>	<u>525,960</u>	<u>1,205,208</u>

4. RESOURCES EXPENDED

	Basis of allocation	Solar light distribution programmes £	Fundraising £	2021 £	2020 £
<i>Costs directly allocated to activities:</i>					
Staff costs	Direct	484,912	203,966	688,878	619,964
Travel & subsistence	Direct	7,305	-	7,305	22,628
Communications	Direct	33,619	33,619	67,238	41,294
Other direct project costs	Direct	573,366	17,351	590,717	836,108
Consultants	Direct	50,490	25,020	75,510	66,362
Insurance	Direct	1,667	-	1,667	2,022
Loan interest	Direct	-	-	-	1,474
Bank charges and foreign exchange differences	Direct	206,093	-	206,093	168,310
Depreciation and the loss sale of fixed assets	Direct	12,647	3,569	16,216	11,033
Amortisation of intangibles	Direct	280	-	280	-
<i>Governance support costs allocated to activities:</i>					
Audit	Direct	24,874	-	24,874	25,312
Legal & professional costs	Direct	8,629	-	8,629	39,997
<i>Support costs allocated to activities:</i>					
Staff training	Transactions	14,210	-	14,210	16,783
Premises	Staff Time	12,457	11,218	23,675	32,448
General office expenses	Staff time	2,724	2,454	5,178	6,347
Recruitment	Transactions	-	390	390	9,055
Travel & subsistence	Transactions	1,481	-	1,481	23,914
Communications	Staff time	123	111	234	100
I.T. support & maintenance	Staff time	3,216	2,896	6,112	5,246
Office equipment	Staff time	125	112	237	3,450
		<u>1,438,218</u>	<u>300,707</u>	<u>1,738,925</u>	<u>1,931,847</u>

NOTES TO THE CONSOLIDATED ACCOUNTS

5. STAFF COSTS AND NUMBERS

The average headcount total is:

	2021	2020
Management and International Programmes staff	43	40
Fundraising staff	4	3
	<u>47</u>	<u>43</u>

Staff costs for the charity and group were as follows

	2021 £	2020 £
Salaries	630,270	551,136
National Insurance	41,871	39,965
UK Pension	16,737	28,862
	<u>688,878</u>	<u>619,964</u>

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

	2021	2020 (restated)
£90,000 - £100,000	1	1

The key management personnel of the group are the members of the Senior Management Team (SMT). The total employee benefits for the SMT was £251,912 (2020: £248,135) 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 2021.

NOTES TO THE CONSOLIDATED ACCOUNTS

7. INTANGIBLE ASSETS

	Crypto- currency	2021 Total £	2020 Total £
Intangible Asset - Value			
At 1st April 2020	3,791	3,791	3,791
Additions in the Year	-	-	-
Write off in the Year	(3,791)	(3,791)	-
At 31st March 2021	-	-	3,791
Amortisation			
At 1st April 2020	3,511	3,511	3,511
Charge in the Year	-	-	-
Write off in the Year	(3,511)	(3,511)	0
At 31st March 2021	-	-	3,511
Net Book Value at 31st March 2021	-	-	280

In January 2018 Solarcoins, a cryptocurrency that are issued for free to those who generated 1 MWh of solar electricity, were donated to SolarAid. The Solarcoins are unlikely to recover their value so were written off in the year.

8. TANGIBLE ASSETS

The Group	Furniture, Fixtures & Fittings £	Computer Equipment £	Motor Vehicles £	2021 Total £
Cost				
At 1st April 2020	9,021	21,983	73,259	104,263
Additions in the Year	4,401	4,696	-	9,097
Disposals In The Year	(3,366)	(3,932)	(25,318)	(32,616)
At 31st March 2021	10,056	22,747	47,941	80,744
Depreciation				
At 1st April 2020	4,121	8,970	26,638	39,729
Charge in the Year	1,020	5,329	9,867	16,216
Disposals In The Year	(1,885)	(3,295)	(13,637)	(18,817)
At 31st March 2021	3,256	11,004	22,868	37,128
Net Book Value at 31st March 2021	6,800	11,743	25,073	43,616

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

NOTES TO THE CONSOLIDATED ACCOUNTS

8. TANGIBLE ASSETS (CONTINUED)

The Charity (included above)	Furniture, Fixtures & Fittings £	Computer Equipment £	Motor Vehicles £	2021 Total £
Cost				
At 1st April 2020	344	11,841	-	12,185
Additions In The Year	-	-	-	-
Disposals In The Year	-	-	-	-
At 31st March 2021	<u>344</u>	<u>11,841</u>	<u>-</u>	<u>12,185</u>
Depreciation				
At 1st April 2020	173	2,381	-	2,554
Charge in the Year	21	3,548	-	3,569
Disposals In The Year	-	-	-	-
At 31st March 2021	<u>194</u>	<u>5,929</u>	<u>-</u>	<u>6,123</u>
Net Book Value at 31st March 2021	<u>150</u>	<u>5,912</u>	<u>-</u>	<u>6,062</u>

9. INVESTMENTS

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

	Charity	
	2021 Total £	2020 Total £
Cost		
SunnyMoney Global Ltd - 100% investment	58,795	58,795
SunnyMoney Kenya Ltd - 1% investment	8	8
SolarAid Uganda Ltd - 1% investment	-	2
	<u>58,803</u>	<u>58,805</u>

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 has 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.

SolarAid Uganda Ltd was brought out by their management and no longer form part of the group. The shares were transferred at nil cost.

NOTES TO THE CONSOLIDATED ACCOUNTS

10. DEBTORS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Prepayments and accrued income	126,134	968,781	104,173	958,690
Amounts due from Subsidiaries	-	-	240,176	171,272
Amounts due from donors	-	-	-	-
Overseas taxation rebates	33,322	-	-	-
Trade debtors	43,183	140,621	-	-
	<u>202,639</u>	<u>1,109,402</u>	<u>344,349</u>	<u>1,129,962</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Creditors and accruals	180,207	173,760	35,317	63,909
Loans	50,008	14,832	50,000	-
Amounts owed to Subsidiaries	-	-	-	-
UK taxation & social security costs	10,292	11,433	10,292	11,433
Overseas taxation & social security costs	44,910	51,614	-	-
	<u>285,417</u>	<u>251,638</u>	<u>95,609</u>	<u>75,341</u>

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.

NOTES TO THE CONSOLIDATED ACCOUNTS

13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

For the year ending 31 March 2021

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Intangible assets	-	-	-
Tangible assets	43,616	-	43,616
Current assets	1,979,568	381,500	2,361,068
Current liabilities	(285,417)	-	(285,417)
Long-term liabilities	-	-	-
	<u>1,737,767</u>	<u>381,500</u>	<u>2,119,267</u>

For the year ending 31 March 2020

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Intangible assets	280	-	280
Tangible assets	64,535	-	64,535
Current assets	2,171,951	23,986	2,195,937
Current liabilities	(251,638)	-	(251,638)
Long-term liabilities	-	-	-
	<u>1,985,128</u>	<u>23,986</u>	<u>2,009,114</u>

NOTES TO THE CONSOLIDATED ACCOUNTS

14. MOVEMENT IN FUNDS

For the year ending 31 March 2021

	Balance at 31.03.20 £	Income £	Expenditure £	Exchange Gains £	Balance at 31.03.21 £
Restricted funds:					
Agent Programme Malawi	-	61,440	21,439	-	40,001
Agent Programme Zambia	23,986	39,237	1,071	-	62,152
Agent Programmes	-	48,765	1,316	-	47,449
Covid-19 response - Powering Health	-	161,803	161,802	-	1
E-waste programme Zambia	-	76,026	76,026	-	-
Light A Village programme Malawi	-	75,000	-	-	75,000
Light Library programme Malawi	-	3,150	3,150	-	-
Powering Health programme	-	58,027	-	-	58,027
Powering Health programme Malawi	-	164,236	65,366	-	98,870
Powering Health programme Zambia	-	57,208	57,208	-	-
Solar Radios Malawi	-	897	897	-	-
	<u>23,986</u>	<u>745,789</u>	<u>388,275</u>	<u>-</u>	<u>381,500</u>
Unrestricted funds:					
General Funds	<u>1,985,128</u>	<u>983,293</u>	<u>1,350,650</u>	<u>119,996</u>	<u>1,737,767</u>
Total funds	<u><u>2,009,114</u></u>	<u><u>1,729,082</u></u>	<u><u>1,738,925</u></u>	<u><u>119,996</u></u>	<u><u>2,119,267</u></u>

For the year ending 31 March 2020

	Balance at 31.03.19 £	Income £	Expenditure £	Exchange Gains £	Balance at 31.03.20 £
Restricted funds:					
DFID - multi-country Programme Work	33,396	-	33,396	-	-
Malawi Programme Work	40,962	66,765	107,727	-	-
Multi-country Programme Development Work	30,711	46,648	77,359	-	-
Zambia Programme Work	28,345	170,281	174,640	-	23,986
	<u>133,414</u>	<u>283,694</u>	<u>393,122</u>	<u>-</u>	<u>23,986</u>
Unrestricted funds:					
General Funds	<u>1,172,669</u>	<u>2,262,822</u>	<u>1,538,726</u>	<u>88,363</u>	<u>1,985,128</u>
Total funds	<u><u>1,306,083</u></u>	<u><u>2,546,516</u></u>	<u><u>1,931,848</u></u>	<u><u>88,363</u></u>	<u><u>2,009,114</u></u>

NOTES TO THE CONSOLIDATED ACCOUNTS

15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group	
	2021 £	2020 £
Net movement in funds	110,153	703,031
Add back depreciation charge	16,216	11,033
Add back amortisation charge	280	-
Deduct interest income shown in investing activities	(103)	(281)
Decrease / (increase) in stock	(74,715)	(87,613)
Decrease / (increase) in debtors	906,763	(417,975)
Increase / (decrease) in creditors	33,779	59,920
	<u>992,373</u>	<u>268,115</u>
Net cash provided by operating activities	<u>992,373</u>	<u>268,115</u>

16. FINANCIAL COMMITMENTS

As at 31st March 2021, the charity did not have any annual commitments under non-cancellable leases or other financial commitments (2020: £0).

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 31. During the year £0 (2020: £0) was spent to cover various expenses relating to Trustees. The Trustees are not remunerated for the positions they hold.

Intercompany Balances with SolarAid

	Opening balance at 1 April 2020 (net of provisions) £	Grants made by SolarAid £	Working capital support made by SolarAid £	Income received in SolarAid on behalf of sub. £	Closing balance at 31st March 2021 (net of provisions) £
SunnyMoney Global	(19,789)	-	8,644	(2,841)	(13,986)
SolarAid Malawi	124,874	(185,449)	269,458	(16,492)	192,391
SolarAid Zambia	98,340	(181,273)	261,939	(85,082)	93,924
SolarAid Tanzania	(32,153)	-	-	-	(32,153)
	<u>171,272</u>	<u>(366,722)</u>	<u>540,041</u>	<u>(104,415)</u>	<u>240,176</u>

NOTES TO THE CONSOLIDATED ACCOUNTS

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 and a summary of the financial performance and position is included on Page 30 of the Annual Report.

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
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

NOTES TO THE CONSOLIDATED ACCOUNTS CONTINUED

20. PRIOR YEAR CHARITY STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income from			
Donations	613,691	-	613,691
Investments	281	-	281
Charitable activities:			
Programme related grants and donations	921,514	283,694	1,205,208
Income from distributing solar lights in Africa	706,329	-	706,329
Other income	21,007	-	21,007
Total Income	<u>2,262,822</u>	<u>283,694</u>	<u>2,546,516</u>
Expenditure on			
Raising funds	237,210	-	237,210
Charitable activities	1,301,516	393,122	1,694,638
Total Expenditure	<u>1,538,726</u>	<u>393,122</u>	<u>1,931,848</u>
Net income/(expenditure)	724,096	(109,428)	614,668
Exchange rate gains & losses	88,363	-	88,363
Net movement in funds	<u>812,459</u>	<u>(109,428)</u>	<u>703,031</u>
Reconciliation of funds			
Total funds brought forward	1,172,669	133,414	1,306,083
Total funds carried forward	<u>1,985,128</u>	<u>23,986</u>	<u>2,009,114</u>



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