
REGISTERED COMPANY NO. 5495358 (England and Wales)

**BUILD IT INTERNATIONAL
(COMPANY LIMITED BY GUARANTEE)
TRUSTEE'S REPORT AND FINANCIAL
STATEMENTS**

YEAR ENDED 30 JUNE 2007

BUILD IT INTERNATIONAL

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BUILD IT INTERNATIONAL
LEGAL AND ADMINISTRATIVE INFORMATION

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Company number	5495358
Charity number	1115989
Governing document	Memorandum and Articles of Association
Trustees	Peter Caldwell Ross Cranston Sue Lucas Andrew Jowett (resigned 12 December 2006)
Secretary	Andrew Jowett
Executive Director	Andrew Jowett (from 22 January 2007)
Registered office	Torrington House 47 Holywell Hill St Albans AL1 1HD
Auditors	HLB Vantis Audit PLC Torrington House 47 Holywell Hill St Albans AL1 1HD
Bankers	Barclays Bank plc. Business Banking P.O. Box 89 Shrewsbury Shropshire SY1 2WQ
Solicitors	Wrigley's 19 Cookridge Street, Leeds LS2 3AG
Website	www.builditinternational.org

**BUILD IT INTERNATIONAL
TRUSTEE'S REPORT
YEAR ENDED 30 JUNE 2007**

The Trustees present their annual report and audited financial statements for the year ended 30 June 2007. This report also serves as a Directors' report as required by s234 of the Companies Act 1985.

In preparing the accounts, the Trustees have followed the accounting policies set out in note 1 to the accounts and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

CHARITABLE OPERATIONS

This company is a registered charity established to promote the relief of poverty and distress in any manner.

Structure, governance and management

Build IT International was formed as a company limited by guarantee in 2005 and became a charitable legal entity in the United Kingdom in September 2006. It has a memorandum and articles of association, dated August 2006, as its governing document.

The Directors of the Board are appointed with a view to ensuring that BII has a variety of experience including international development, business management, legal, financial, marketing and fund-raising.

The Board meets four times a year and is responsible for the overall direction of the Charity and for core strategic policies. There are clear responsibilities and procedures for reporting decisions, actions and issues. The Board approves and monitors the annual budget and income predictions.

Risk management

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise.

During 2007, BII established a risk register to identify, evaluate and manage significant risks. This is reviewed regularly throughout the year.

Organisation

BII is based in Shrewsbury in the United Kingdom.

The first staff were appointed in 2007 when Andrew Jowett took up the post of chief executive in January. A part-time administrator (June) and fund-raiser (August) have also been appointed.

**BUILD IT INTERNATIONAL
TRUSTEE'S REPORT
YEAR ENDED 30 JUNE 2007**

REVIEW OF ACTIVITIES AND PERFORMANCE

Our mission is to work with people in Africa to create new opportunities to earn a living by building essential community facilities.

We believe that through well managed building projects, not only can we improve basic facilities in poor communities, but we can develop skills and opportunities that will have widespread, sustained impact on the local economy and community development.

Key achievements

This was the second year of activities of the charity. During the first year a small number of pilot projects were initiated in Vanuatu, Liberia and Zambia.

During the past year, work was completed on the new library building in Liberia. In Zambia, work continued at Fiwila school where one three classroom block and a teachers house were completed and work began on a new school science block and male/female washrooms. Build IT International supplied technical support and played a project management role.

A number of potential new projects were researched and a pilot, low cost home was designed.

Programme Strategy

In March 2007, a strategy meeting involving a range of independent advisors, was held. This confirmed our ambition to play a practical role in supporting local initiatives to generate livelihood opportunities through construction projects. Detailed work was undertaken on the three planks of our approach:

- Support for local entrepreneurs
- Inclusion of the local community
- Promotion of environmentally sustainable technologies

The role of BII at this early stage in the charity's development was agreed as:

- Provision of technical advice and management expertise for specific projects identified by BII and requested by other organisations.
- Promotion of tested and affordable technologies and good design.
- Fund-raising.

An advocacy role may be developed once our programme is more established.

**BUILD IT INTERNATIONAL
TRUSTEE'S REPORT
YEAR ENDED 30 JUNE 2007**

It was also agreed that for the moment, we need to focus on one part of Africa. In September 2007, the Trustees took the decision to establish a programme of work in Zambia and this is where we are concentrating our fundraising efforts. However, if asked to provide support to projects elsewhere, this would be considered if funding is available.

Forward Plans

In Zambia, our objectives to the end of 2009 are to:

- Support the construction of 6 school blocks and 12 houses.
- Establish a reputation for good quality work and generate profile for BII.
- Identify and train at least four local builders and start to build a network to share experience
- Gain a fuller understanding of critical issues in the construction sector.
- Develop a project management service for other organisations in Zambia

We have appointed a local representative in Zambia and are negotiating a partnership agreement with a local NGO.

The key to our success lies with our ability to raise funds for this work and this will be the main focus of our efforts in the UK over the next 12 months. We will concentrate on grant making trusts and foundations and individual supporters.

We aim to recruit at least two new trustees over the next 12 months.

Regular updates on our work are posted on our web site:

www.builditinternational.org

**BUILD IT INTERNATIONAL
TRUSTEE'S REPORT
YEAR ENDED 30 JUNE 2007**

Review of Financial Position

A fundraising drive in 2006 secured sufficient funds for the Charity to employ the professional staff required for it to grow further. A balance of £59,141 general funds was held at the beginning of July 2007 but it is expected that this will reduce to around £30,000 before new income is secured.

Modest restricted funds of £2,083 were held at the beginning of July 2007 and this figure is expected to increase as project grants are awarded.

A balance budget has been agreed by trustees for the year 2007-2008 with an income target of £164,000.

Investment Policy

At present, the trustees do not consider an investment policy necessary given the limited funds held by the charity. This position is regularly reviewed. Cash surplus to short-term needs are held in a high interest CAF account.

Grant Making Policy

BII expects to deliver most of its projects through local partner organisations. Project proposals are submitted to Trustees for their approval to ensure that the proposed work is in line with our aims and focus. All projects are subject to monitoring by BII staff and the transfer of funds is subject to satisfactory reports being received.

Reserves Policy

Build IT International's reserves policy is to maintain a readily realisable base reserve sufficient to cover three months of our overhead costs and two months of project expenditure.

Based on our agreed budget for 2007-8 this amounts to £28,000 but the figure will rise significantly in future years as our programme expands.

At the end of November 2007, the value of our unrestricted cash funds was £38,000.

**BUILD IT INTERNATIONAL
TRUSTEE'S REPORT
YEAR ENDED 30 JUNE 2007**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the income and expenditure for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors confirm that so far as they are aware, there is no relevant audit (as defined by section 234ZA of the Companies Act 1985) of which the company's auditors are unaware. They have taken all reasonable steps, as directors, to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Approved by the Board on 11 December 2007 and signed on its behalf.



Sue Lucas
Director

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BUILD IT INTERNATIONAL**

We have audited the financial statements of Build IT International for the year ended 30 June 2007 on pages 9 to 14. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of Build It International for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all of the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BUILD IT INTERNATIONAL (CONTINUED)**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 30 June 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Trustees' Report is consistent with the financial statements.

HLB Vantis Audit plc

HLB Vantis Audit plc

Chartered Accountants
Registered Auditors
Torrington House
47 Holywell Hill
St Albans
Herts
AL1 1HD

Date *24 December 2007*

BUILD IT INTERNATIONAL
ANNUAL ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2007
STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted funds £	Restricted income funds £	Total this year 2007 £	Total last year 2006 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	68,249	11,806	80,055	15,150
Investment income – interest receivable		1,165	-	1,165	-
Total incoming resources		69,414	11,806	81,220	15,150
RESOURCES EXPENDED					
Cost of generating voluntary income		3,993		3,993	179
Charitable activities		7,565	11,259	18,824	9,668
Governance costs		2,012	-	2,012	470
Total resources expended	6	13,570	11,259	24,829	10,317
NET INCOME/ EXPENDITURE FOR THE YEAR	3	55,844	547	56,391	4,833
Total funds at 1 July 2006		3,297	1,536	4,833	-
TOTAL FUNDS AT 30 JUNE 2007		59,141	2,083	61,224	4,833

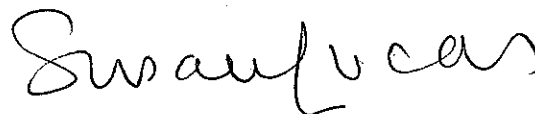
Income and expenditure relate to continuing activities.

**BUILD IT INTERNATIONAL
BALANCE SHEET
30 JUNE 2007**

	Notes	Unrestricted funds £	Restricted Income funds £	2007 £	2006 £
FIXED ASSETS					
Tangible assets	7	917	-	917	-
Total fixed assets		917	-	917	-
CURRENT ASSETS					
Debtors	8	15,155	-	15,155	-
Cash at bank and in hand (including advances)		43,862	2,083	45,945	5,303
Total current assets		59,017	2,083	61,100	5,303
CREDITORS: amounts falling due within one year	9	793	-	793	470
Net current assets		58,224	-	60,307	4,833
Net Assets		59,141	2,083	61,224	4,833
Funds of the Charity					
Unrestricted funds		59,141	-	59,141	3,297
Restricted income funds	10	-	2,083	2,083	1,536
Total funds		59,141	2,083	61,224	4,833

These financial statements were approved by the Board of Directors on 11th December 2007 and signed on its behalf:

Sue Lucas
Chair of Trustees



BUILD IT INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2006

1. ACCOUNTING POLICIES

(a) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Charities SORP 2005 (Accounting and Reporting by Charities) and comply with the Companies Act 1985.

In September 2006 the company became a registered charity. Therefore the comparative balances have been restated to comply with the accounting requirements applicable to charities.

(b) Fund Accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the trustees in furtherance of the general charitable objectives.

Restricted funds are the subject to specific restricted funds as imposed by the donors.

(c) Incoming Resources

Income represents donations and grants received which are brought into account on receipt unless their receipt is reasonably certain in which case they are brought into account when notified. Grants received in advance are shown as income.

(d) Resources expended

Expenditure is recognised when a liability is incurred.

Fundraising cost of donations include those costs incurred in attracting voluntary income.

Charitable activities include grants made to African NGOs to fund their charitable activities. These costs include both 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 use of resources, eg salary by time spent within that activity.

(e) Pension contributions

Pension costs represent payments to individual personal pension schemes of employees. Pension costs are charged to the Statement of Financial Activities in the period in which they are paid.

BUILD IT INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2006

(f) Tangible fixed assets

Tangible fixed assets are shown at cost.

Depreciation is calculated to write down the cost of assets to their estimated residual values over their expected useful lives as follows:

Office equipment and furniture - 25% on cost

(g) Irrecoverable VAT

The charity is not registered for VAT therefore irrecoverable VAT is included with the costs to which it relates.

2. VOLUNTARY INCOME

	2007 £	2006 £
Individuals	68,249	5,150
Grants from foundations and trusts	11,806	10,000
	<u>80,055</u>	<u>15,150</u>

3. MOVEMENT IN FUNDS

	2007 £	2006 £
Net movement in funds is stated after charging:		
Depreciation of tangible assets	306	-
Auditors remuneration	875	470
	<u>875</u>	<u>470</u>

4. STAFF COSTS

	2007 £	2006 £
Salaries and National Insurance	8,046	-
Pension contributions	533	-
	<u>8,579</u>	<u>-</u>

The charity employed its first employee, a part-time Director, from January 2007.

5. TRUSTEE REMUNERATION AND REIMBURSED EXPENSES

None of the trustees received remuneration for their services during the year. No payments were made for their travel and administration expenses.

BUILD IT INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2006

6. ALLOCATION OF RESOURCES EXPENDED

The charity has allocated its UK support costs as shown below:

	Direct costs	Support costs (including salaries)	Total 2007
	£	£	£
Cost of generating funds	4	3,989 (40%)	3,993
Charitable activities	13,838	4,986 (50%)	18,824
Governance	1,015	997 (10%)	2,012
	<u>14,857</u>	<u>9,972</u>	<u>24,829</u>

7. FIXED ASSETS

	Office equipment £
Costs at 1 July 2006	-
Additions	1,223
At 30 th June 2007	<u>1,223</u>
Depreciation at 1 July 2006	-
Depreciation charge for year	306
At 30 th June 2007	<u>306</u>
Net book value at 30 th June 2007	<u>917</u>

8. DEBTORS

	2007	2006
	£	£
Gift Aid including accrued interest	<u>15,155</u>	-

9. CREDITORS (amount falling due within one year)

	2007	2006
	£	£
Accrued charges -audit	<u>793</u>	<u>470</u>

BUILD IT INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2006

10. ANALYSIS OF RESTRICTED FUNDS

	Balance 1.7.2006 £	Incoming resources £	Expenditure £	Balance 30.6.2007 £
Liberia	685	-	685	-
Zambia (Fiwila)	851	7,104	8,768	(813)
Water/ISSB	-	4,702	1,806	2,896
Total	1,536	11,806	11,259	2,083

The Zambia project deficit will be corrected once Harvest Help has been invoiced for works completed at Fiwila School.

The balance of funds for Water/ISSB are from a restricted grant. These will be spent on the completion of 10 latrines at Fiwila.

11. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee and has no share capital. The liability of members is limited to the sum of £10.

12. TAXATION

Build IT International is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

13. GRANTS

During the year the charity made two grants totalling £2,491 (Liberia and Water/ISSB). The Fiwila, Zambia project was managed on behalf of Harvest Help Limited.