

THE HALLER FOUNDATION

**Company limited by guarantee no. 04807857
registered charity no. 1101725**

**Trustees' Annual Report and Financial Statements
for the year ended 31 December 2016**



THE HALLER FOUNDATION

(Registered charity number 1101725)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2016

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THE HALLER FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

For the year ended 31 December 2016

Trustee	Dr Rene Haller - Life President Jonathan Ford – Chairman Louise Piper - Co founder & CEO until May 2016 Jeremy Withers Green (resigned Nov 2016) Guido Haller Charles Watson Sophie Dollar Laurie Bennett Daniel Haller Cain Ullah (resigned Nov 2016) James Wynn (resigned Feb 2016) Robert Evans (appointed 2017) Robert Otterson (appointed 2017) John Collenette (appointed as Chair 2017)
Chief Executive	Alia Malik (from 11 April 2016)
Charity reg. no.	1101725
Registered office	C/O Second Home 68-80 Hanbury Street London E1 5JL
Independent Examiner	Charles Ssempijja, ACA NfP Accountants Ltd 38 South City Court 52 Peckham Grove SE15 6FR
Bankers	Cooperative Bank PO Box 250, Delf House, Skelmersdale, Lancashire WN8 6NY

THE HALLER FOUNDATION

TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2016

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2016. Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's governing document, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and governing document

The Haller Foundation was registered as a company limited by guarantee in England and Wales, incorporated at Companies House in June 2003. The company is also a registered charity with the charity commission, registered number 1101725. The Haller Foundation constituted under The Memorandum and Articles of Association for a charitable company dated 9 May 2003, last amended on 12 April 2015.

The governance of the charity is the responsibility of the Trustees. Day to day management is by the CEO, who draws on the support and expertise of the highly experienced Board of Trustees as needed.

Method of appointment or election of the Trustees

Trustees are elected by the Board and stand for three years, after which they are subject to re-election. Regular reviews are held to identify any expertise gaps within the Board of Trustees and appointments are made where required to strengthen the Board of Trustees, subject to all trustees' approval.

No other person or external organisation is entitled to appoint any trustees of the charity. The Trustees who served during the period and after the year end are shown on page 1.

Policies adopted for the induction and training of Board of Trustees

New trustees are suggested via the boards nominations committee and will have met with the Chief Executive and some of the existing trustees prior to recommendation for appointment. New trustees are provided with a charity pack and the Charity Commission publications about the role of trustees.

Related party relationships

The charity has considered the disclosure requirements of the SORP for related party relationships. The trustees consider Haller Farmer's App Ltd and the members of the board and their close connections to be related parties of the charity. All trustees give their time voluntarily and receive no benefits from the charity. Details of related parties and transactions with them are disclosed in Notes 8 and 9.

Conflicts of interest

We are aware of conflicts and actively manage them in accordance with relevant legislation.

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TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2016

Remuneration policy for key management personnel

The pay of the charity's CEO is reviewed annually and normally increased in accordance with London average earnings, depending on affordability. The trustees also draw on their knowledge of the sector and common practice in other charities of similar size to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Risk management

The trustees are responsible for identifying the major risks to which the Charity is exposed and ensuring that steps are taken to manage those risks.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Purposes and aims

The objects of The Haller Foundation are to advance the conservation and the protection of the environment through the development of sustainable ecosystems. We aim to promote sustainable development that meets the needs of the present without compromising the ability of future generations to meet their own needs. The Foundation will aim to work with local communities to develop sustainable farming practices through the rehabilitation of damaged land. We will aim to promote environmental education by creating an awareness and better understanding of the environment and local ecosystems through training in farming methods. We will aim to support community health, education, and social enterprise initiatives with the objective of the communities becoming self-sustaining and self-sufficient.

Beneficiaries of our services

Haller's key beneficiaries are ultrapoor farming (defined as those who spent 80% of their income on securing food and water) communities in coastal Kenya and smallholder farmers in other areas living off difficult land. We serve our beneficiaries through on the ground projects implemented by delivery partner Haller Kenya, through our smartphone app information service for farmers, and through working with partners in other locations to share our knowledge on service delivery.

For projects undertaken by Haller Kenya, communities apply to Haller Kenya to participate in a process known as the 'Haller Journey'. This consists of the installation of a rain-fed dam, a well, an eco-sanitation facility (ESF) and a farmer demonstration plot. Members of the Haller Kenya team then work closely with the community on a multi-year agricultural training programme to ensure that farmers have the knowledge and ability to farm organically, in a sustainable fashion to provide for themselves and their families. The typical number of beneficiaries from a single Haller Journey is 800-1000.

Taking advantage of expanding mobile connectivity across Africa, the Haller Farmers App aims to put the power of education directly into the hands of small holder farmers. Through this resource, the work of the Haller Foundation is made accessible to thousands of small scale food producers. Regardless of their resources, education or location they have access to locally relevant knowledge, tools, financial services, marketplaces and other productive resources in order to boost their agricultural productivity and incomes. Our Smartphone App for farmers has had more than 17,000 unique users since its launch in 2013.

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TRUSTEES' ANNUAL REPORT For the year ended 31 December 2016

Principal activities

The charity's main activities and who it tries to help are described below. All its charitable activities focus on resourceful, sustainable smallholder farming and are undertaken to further the Haller Foundation's charitable purposes for the public benefit.

Principal activities to fulfil charitable purposes of the charity include 1) fundraising and applying for grant funding for services in Coastal Kenya, 2) building strategy and partnerships for expanding impact of organic farming methods, and 3) continued development and improvement of mobile app services for smallholders.

2016 has been a year of transition. CEO and co-founder Louise Piper stepped down in April 2016, handing over to new CEO Alia Malik. Alia Malik was hired to transition the charity from a founder led charity to a sustainable charity able to scale impact. In June 2016, The Haller Foundation relocated from Tunbridge Wells to London.

In Coastal Kenya, one of our key areas for service delivery, there was a severe drought in 2016, compounding existing challenges for smallholder farmers.

Statement of public benefit

The Board of Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

ACHIEVEMENTS AND PERFORMANCE: REVIEW OF ACTIVITIES FOR THE YEAR

The trustees review the aims, objectives and activities of the charity each regularly. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

During the year the following projects, activities and events have taken place:

The primary focus of the period January to April was the recruitment of a new CEO. In addition, Haller was hosted reviewed existing donor relationships and undertook relationship building with various key donors. During this period, the charity also explored alternative revenue models to fund charitable work, including feasibility study of trading activities from founding a 'nutritional supplement' social enterprise as part of Haller Kenya and revenue potential of Haller Farmers App.

The Haller Farmers App was nominated for the Tech4good Community Impact Award, accepted on two accelerator programmes – GrowthAfrica and SpeedUp Africa, and reached the final stages of another prominent tech accelerator.

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TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2016

In mid-April Alia Malik came on-board as the new CEO, beginning with a ten day visit to Mombasa to visit Haller Kenya and Nairobi to meet the Haller Farmers App team, followed by meeting the UK team in Tunbridge Wells. After a period of assessment, the operations of the Haller Foundation were moved to London and the freelance team was restructured. Over this period, the three primary focuses were developing strategy for expansion of impact, outreach and partnership development to broaden our capacity to delivery projects in new locations, execution of the Haller Prize for development Journalism and strategy for version two development of the Haller Farmers App.

This process highlighted the need for the development of our Impact Assessing, Monitoring and Evaluation, and Reporting processes.

By the end of 2016 a draft five-year plan was formulated and circulated to the UK team, Haller Kenya, the board and comments and suggestions collected from all parties. The plan included four goals:

- Goal 1: Building Resilience with Haller Kenya
- Goal 2: Empowering more sustainable rural communities through the Haller Journey
- Goal 3: Spreading the impact of Haller techniques on smallholder farmers
- Goal 4: Influencing policy for change

In addition, preliminary work started on the redevelopment on the Haller Farmers App, which is a key component of delivering on Goal 3. Key achievements included a month long ethnographic research study on the use of the app, working group sessions to review mobile technology strategy, and cutting costs related to revenue stream development in favour of continued prioritisation of smallholder farmers as key beneficiaries for this delivery mechanism of Haller services.

The third Haller Prize for Development Journalism, was a success – receiving 110 entries (double the tally for 2015), from a wide variety of countries across Sub-Saharan Africa, including Ghana, Somalia, Burundi, Rwanda, Sierra Leone and Ethiopia. The quality of the articles has continued to improve since its inception in 2014, and the shortlist included 21 stimulating, high quality articles on how digital technology has transformed development in Africa. The three winning entries were published by the Royal African Society African Arguments.

A new Haller website, designed with extensive pro-bono support from creative agency Pearlfisher, was also launched in 2016, optimized for easy navigation, and to reflect the brand, nature, impact and stature of Haller's work.

In Coastal Kenya, ongoing service delivery was provided and new beneficiaries were included in our area of coverage:

1. Five Haller Journeys (Dam/Well/ESF/Farming Training/Health Outreach) were undertaken with new beneficiary communities. Each Haller Journey to impact 800-1000 beneficiaries through access to water for irrigation, clean drinking water, avoidance of contamination and improved nutrition and income sources from sustainable farming. Haller Journeys include an ongoing programme of community outreach to deliver farmer training. Outcomes are clear very early on. Farmers graduate from simply growing maize (with 35-45% failure rates, providing no surplus income and with farmers existing on an av. of only Ksh 50-75 per day), to utilising more complicated agricultural methods such as crop-rotation, intercropping and the production of a variety of different plants. Through uptake of our model, farmers maximise food production on a typical size family plot of 500m², yielding enough to feed a family of 5 and have a monthly surplus which, through local trading, with an observed monthly surplus of Ksh3000.

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For the year ended 31 December 2016

2. Funds were raised to provide wells and eco-loos to three existing beneficiary communities who previously only had access to a rain fed dam for their water source improving their water security and sanitation.
3. Our ever-evolving applied methods in resourceful, sustainable farming, enabled us to provide 32 communities with training around topics such as banana pots, cereal crops, roots and tubers, composting and soil erosion control High quality agricultural training delivered at our Mtopanga Farmers Training Centre Farming:
 - a. Construction and development of a 1000m2 plot to demonstrating inter-cropping and crop rotation models for easy adoption and replication by smallholders
 - b. Developing a new model for an aquaculture pond to accompany future dams in communities to help communities more closely manage their fish stocks (A 10 x 4m pond stocked with 113 fingerling fish).
 - c. Research and training for cultivation of hardy indigenous, drought-resistant crops
 - d. Developing our community training programme for high income farming, i.e. cultivating mushrooms and keeping bees
4. High quality health outreach and clinic services continued to be provided – treating 7,747 patients over the course of the year. During this period, the clinic provided treatment for diseases such as Malaria, respiratory disease, Diarrhoeal diseases, skin disease, UTI's, Chicken Pox, Helminthiasis amongst others. This is in addition to providing education around hygiene and sanitation and treatment for diseases such as Malaria, the world's biggest killer. We also delivered high-quality natal and anti-natal care for both mothers and new-borns, helping prevent complications as a result of home-births and a lack of awareness. The Nguuni Health Clinic is recognised by the Kenyan Ministry of Health as a centre of excellence for the delivery of primary healthcare.
5. Farmers received training and support to trial and use the Haller Farmers App

Annual income was significantly lower in 2016 as we refined strategy and focused on the restructure of the organisation through this transition year, an outcome which was anticipated and planned for. Key fundraising events include the annual Golf day, organised by Vespa capital in November. Total income for the year was at £312,259 compared to £650,073 in 2015.

FINANCIAL REVIEW

Financial position

The Charity incurred net expenditure for the year of £60,610 (2015 - net income of £149,617) details of which are shown in the Statement of Financial Activities on page 10.

Total income for the year amounted to £312,259, a reduction of £337,814 on the previous year, and total expenditure amounted to £372,869, a reduction of £127,587 on the previous year.

Reserves policy

The Haller Foundation's policy is to ensure that there are reserve funds available to run the basic operations of the charity for a minimum of three months. At the balance sheet date, the Trustees estimate this would require reserves of £40,000. The Year End Balance at the end of the 2016 reporting period was £43,669. This is only modestly above the required level and the Trustees are satisfied that the amount held in free reserves is within the objective above.

THE HALLER FOUNDATION

TRUSTEES' ANNUAL REPORT

For the year ended 31 December 2016

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

The Trustees are grateful of the continued financial support from Individual donors, Trusts and Foundations, Corporate partners (British Airways, Mondrian, HANC Ltd, Vespa Capital), Events, and Schools (Sevenoaks School Prep, Worth School, St James's Place).

This financial and moral support provides a firm foundation for the charity's activities, the scope of which is intended to increase and expand in the next year.

PLANS FOR FUTURE PERIODS

As agreed by the Trustees, over the course of 2017 Haller will aim to expand operations and maximise beneficiary numbers and geographical reach. As agreed at the January 2017 meeting, the Haller Foundation will adhere to the 2017-2021 strategy, consisting of four primary goals, detailed below.

- Goal 1: Building Resilience with Haller Kenya
- Goal 2: Empowering more sustainable rural communities through the Haller Journey
- Goal 3: Spreading the impact of Haller techniques on smallholder farmers
- Goal 4: Influencing policy for change

PREPARATION OF THE REPORT

In preparing this report, the Board of Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

APPROVAL OF THE REPORT

This report was approved by the Board of Trustees on 8-9-17 and signed on their behalf by:


.....
Charles Watson
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE BOARD OF TRUSTEES OF THE HALLER FOUNDATION

I report on the accounts of The Haller Foundation for the year ended 31 December 2016 which are set out on pages 10 to 21.

This report is made solely to the Company's Trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. My work has been undertaken so that I might state to the Board of Trustees matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Board of Trustees for my independent examination work, for this report, or for the statement I have given below.

Respective responsibilities of Trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- follow the procedures laid down in the general Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Company, and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention, other those that disclosed below:

1. which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

/Continued ...

INDEPENDENT EXAMINER'S REPORT TO THE BOARD OF TRUSTEES OF THE HALLER FOUNDATION

/Continued ...

Disclosures

Departure from SORP 2005

Your attention is drawn to the fact that the Company has prepared the financial statements in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice, published on 16 July 2014 in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Agriculture on Your Smartphone Ltd and Haller Farmer's App Ltd

During the year, the charity delivered its work in relation to the Haller Farmer's App through two limited companies, Agriculture on Your Smartphone Ltd and Haller Farmer's App Ltd. The former was dissolved in August 2017, and the directors have also passed a Resolution in August 2017 to dissolve the latter. My examination of these accounts and this report are limited to the accounts and records of The Haller Foundation, I have not undertaken a review of the accounts or records of the two related companies, and have not formed an opinion on them.

Charles Ssempijja, ACA
38 South City Court
52 Peckham Grove
SE15 6FR

Date:

THE HALLER FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES 04807857
For the year ended 31 December 2016

	Notes	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £
INCOME FROM							
Donations and legacies	2	63,802	171,131	234,933	122,767	474,725	597,492
Other trading activities	3	77,055	-	77,055	52,094	-	52,094
Investments	5	271	-	271	487	-	487
TOTAL INCOME		141,128	171,131	312,259	175,348	474,725	650,073
EXPENDITURE ON:							
Raising funds	6	38,249	-	38,249	40,347	-	40,347
Charitable activities	6	142,650	191,970	334,620	106,321	353,788	460,109
TOTAL EXPENDITURE		180,899	191,970	372,869	146,668	353,788	500,456
Net income / (expenditure) before transfers		(39,771)	(20,839)	(60,610)	28,680	120,937	149,617
Transfer between funds	14	-	-	-	(67,376)	67,376	-
NET MOVEMENT IN FUNDS		(39,771)	(20,839)	(60,610)	(38,696)	188,313	149,617
RECONCILIATION OF FUNDS							
TOTAL FUNDS AT 1 JANUARY 2016		83,440	217,301	300,741	122,137	28,987	151,124
TOTAL FUNDS AT 31 DECEMBER 2016		£ 43,669	£ 196,462	£ 240,131	£ 83,441	£ 217,300	£ 300,741

The annexed notes form part of these financial statements

THE HALLER FOUNDATION**(Registered charity number 1101725, Registered company number 04807857)****BALANCE SHEET****As at 31 December 2016**

	Notes	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	11		653		1,306
CURRENT ASSETS					
Debtors	12	57,042		37,608	
Cash at bank and in hand		191,684		264,527	
		<u>248,726</u>		<u>302,135</u>	
CREDITORS: amounts falling due within one year	13	(9,248)		(2,700)	
NET CURRENT ASSETS			<u>239,478</u>		<u>299,435</u>
NET ASSETS			<u>£ 240,131</u>		<u>£ 300,741</u>
FUNDS					
Restricted funds	14		196,462		217,301
Unrestricted funds:					
General fund	14		43,669		83,440
			<u>£ 240,131</u>		<u>£ 300,741</u>

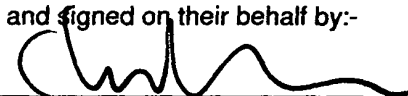
For the year ended 31 December 2016 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved, and authorised for issue, by the Trustee on 8-11-2017 and signed on their behalf by:-



CHARLES WATSON, Trustee

The annexed notes form part of these financial statements

THE HALLER FOUNDATION

STATEMENT OF CASH FLOWS
For the year ended 31 December 2016

	<u>2016</u>		<u>2015</u>	
	£	£	£	£
Cash flows from operating activities				
Net income for the period		(60,610)		149,617
Add back depreciation		653		653
Net cash provided by / (used in) operating activities				
(Increase)/decrease in debtors	(19,434)		(30,126)	
Increase/(decrease) in creditors	<u>6,548</u>		<u>(3,300)</u>	
		(12,886)		(33,426)
Cash flows from investing activities				
Purchase of fixed assets		-		(1,959)
Cash flows from financing activities				
		-		-
Change in cash and cash equivalents in the year		<u>(72,843)</u>		<u>114,885</u>
Cash and cash equivalents at the beginning of the year		264,527		149,642
Cash and cash equivalents at the year end		<u><u>191,684</u></u>		<u><u>264,527</u></u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, as updated on 2 February 2016 (SORP 2016), and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following SORP 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 (SORP 2005) which has since been withdrawn.

Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

Going concern

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

Income

Income is recognised when the charity has entitlement to the funds: this is when any performance conditions attached to the income have been met, it is probable that the income will be received, and that the amount can be measured reliably.

Income is only deferred when: The donor specifies that the grant or donation must only be used in future accounting periods; or for performance related grants, where these are received in advance of the performances or specific event to which they relate.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is considered all to relate to Charitable activities and includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.

Allocation of support costs

Support and governance costs have been allocated between charitable activities based on estimated staff costs. The allocation of support and governance costs is analysed in note 6.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Judgements and key sources of estimation uncertainty

No judgements have been made in the process of applying the above accounting policies and there are no key sources of estimation uncertainty.

Foreign currencies

The reporting currency is GBP. The Foundation operates a no loss no gains policy with regard to currency fluctuations between GBP and Kenyan Shillings. Currency fluctuation is contained within project reporting. Where there are adverse movement in the exchange rate, activities may be reduced to reflect the lower amount received on exchange. The opposite is also true. As a result, the accounts do not reflect any exchange gains or losses that may arise from delivering charitable projects in foreign currencies.

Tangible fixed assets

Fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their useful economic lives on a straight line basis as follows:

Computer equipment - 3 years

THE HALLER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

2. DONATIONS AND LEGACIES

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
<i>Cash grants and donations</i>				
Project grants and donations	-	166,131	166,131	414,035
Haller App	-	-	-	45,691
Haller Prize	-	5,000	5,000	5,000
Website	-	-	-	10,000
General unrestricted gifts	45,616	-	45,616	61,864
	<u>45,616</u>	<u>171,131</u>	<u>216,747</u>	<u>536,590</u>
<i>Donated goods and services</i>				
Medicines	-	-	-	24,102
CEO programme	7,794	-	7,794	-
Other	10,392	-	10,392	36,800
	<u>18,186</u>	<u>-</u>	<u>18,186</u>	<u>60,902</u>
	<u>£ 63,802</u>	<u>£ 171,131</u>	<u>£ 234,933</u>	<u>£ 597,492</u>

Other donated services is made up of £4,992 travel (BA flights), £3,600 office space (Second Home), and £1,800 for the Salesforce platform.

Equivalent charges are included under the relevant expenditure categories.

A trustee, Louise Piper, donated her time 4 days a week pro-bono until March 2016 and also uses her home for Haller work and activities. No value has been placed on this gift in kind in these accounts since the value can not be reliably calculated.

3. INCOME FROM OTHER TRADING ACTIVITIES

	2016 £	2015 £
Fundraising events	75,445	51,343
Sale of merchandise	1,610	751
	<u>£ 77,055</u>	<u>£ 52,094</u>

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

4. EXPENDITURE ON RAISING FUNDS

	2016 £	2015 £
Event costs	32,685	27,706
Merchandise	-	528
Justgiving charges	1,263	1,236
Other fundraising costs	4,301	5,557
Support & governance costs	-	5,320
	<u>£ 38,249</u>	<u>£ 40,347</u>

5. INVESTMENT INCOME

	2016 £	2015 £
Interest receivable from:		
Cash at bank	<u>£ 271</u>	<u>£ 487</u>

6. ANALYSIS OF EXPENDITURE

Current year	Staff / consultant costs £	Direct costs £	Support costs £	Total 2016 £	Total 2015 £
Charitable activities					
- Education	6,408	729	14,765	21,902	73,643
- Health & community	6,348	6,398	14,626	27,372	83,478
- Water	4,773	71,898	10,997	87,668	82,504
- Farmer Field Training	15,705	50,898	36,185	102,788	75,612
- Partnership projects	-	5,813	-	5,813	7,909
- Haller App	11,712	44,807	26,985	83,504	126,953
- Haller Prize	-	5,573	-	5,573	10,010
	<u>44,946</u>	<u>186,116</u>	<u>103,558</u>	<u>334,620</u>	<u>460,109</u>
Fundraising costs	-	38,249	-	38,249	40,347
Monitoring & evaluation	-	2,690	(2,690)	-	-
Governance costs	-	3,339	(3,339)	-	-
Support costs	33,908	63,621	(97,529)	-	-
	<u>£ 78,854</u>	<u>£ 294,015</u>	<u>£ Nil</u>	<u>£ 372,869</u>	<u>£ 500,456</u>

THE HALLER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

NOTE 6 ANALYSIS OF EXPENDITURE - CONTINUED

Prior year	Staff / consultant costs £	Direct costs £	Support costs £	Total 2015 £
<i>Charitable activities</i>				
- Education	12,559	51,372	9,712	73,643
- Health & community	12,559	61,207	9,712	83,478
- Water	12,559	60,233	9,712	82,504
- Farmer Field Training	28,596	24,902	22,114	75,612
- Partnership projects	-	7,909	-	7,909
- Haller App	-	110,213	16,740	126,953
- Haller Prize	-	8,690	1,320	10,010
	<u>66,273</u>	<u>324,526</u>	<u>69,310</u>	<u>460,109</u>
Fundraising costs	-	35,027	5,320	40,347
Monitoring & evaluation	-	11,709	(11,709)	-
Governance costs	-	11,517	(11,517)	-
Support costs	-	51,404	(51,404)	-
	<u>£ 66,273</u>	<u>£ 434,183</u>	<u>£ Nil</u>	<u>£ 500,456</u>

Of total expenditure of £372,869, £191,970 (2015 - £353,788) was out of restricted income funds, and £180,899 (2015 - £146,668) was unrestricted.

7. STAFF COSTS AND NUMBERS

	2016 £	2015 £
Salary costs		
Wages and salaries	43,462	-
Social security costs	2,543	-
	<u>46,005</u>	<u>-</u>
Other staffing costs		
Consultancy - UK	23,234	23,273
Consultancy - overseas	10,000	43,000
	<u>£ 79,239</u>	<u>£ 66,273</u>

The average weekly number of staff on a head count basis was: 1 employee, 6 consultants (2015 - no employees, 7 consultants).

The total employee benefits of the key management personnel were £43,462 (2015 - Nil).

THE HALLER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

8. TRUSTEES' REMUNERATION AND EXPENSES

No Trustee received any remuneration or payments for services rendered to the charity.

One trustee was reimbursed £1,026 of out of pocket expenses incurred on the charity's behalf (2015 - no trustees received reimbursed expenses).

9. OTHER RELATED PARTY TRANSACTIONS

Key management personnel

In addition to the disclosures made in Notes 8, out of pocket expenses of £932 were reimbursed to the Chief Executive (2015 - Nil).

Haller Farmer's App Ltd

During the course of 2016 the Trustees continued to fund the development of the Haller Farmer's App in line with the revised strategic plan for the app as a delivery mechanism of Haller techniques. A separate company was set up to act as a delivery partner of the Haller Foundation App strategy, and to seek external funding to support this strategy; originally in the form of a company limited by guarantee and then subsequently as a company limited by share capital (Haller Farmer's App Ltd).

Haller Farmer's App Ltd was constituted with a nominal amount of share capital only, and held by three directors of the Haller Foundation (of which 2 also acted as directors of Haller Farmer's App Ltd) with the intention to restructure the holding by reassigning existing share ownership and issuing additional shares if external funding was received. During the initial period of 2016 the Haller Foundation funded the development of the App via the app company.

During 2016 it was decided that the partnership app company strategy was not successful in securing external funding and therefore a decision was made to continue funding the app development directly from the Haller Foundation on the understanding that the company would be wound-up and that the technology and functionality of the Haller Farmer's App would be returned to the Haller Foundation.

Subsequent to the reporting period the Haller Farmer's App Ltd Board decided that the company should be wound-up in due course and that the technology and functionality of the Haller Farmer's App should be gifted to the Haller Foundation effective 25th August 2017.

During the year, £28,000 (2015 - £15,000) was transferred from the Charity to Haller Farmer's App Ltd for the purposes of developing the app.

THE HALLER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

10. SUPPORT COSTS

	2016	2015
	£	£
Governance costs:		
Audit: prior year underprovision	-	300
Independent Examiner's fee	2,160	2,700
Strategic consultancy	-	5,000
Other governance costs	1,179	3,517
	<u>3,339</u>	<u>11,517</u>
Database & Website	18,101	22,080
Membership Fees	31	1,691
Travel & Meeting Expenses	9,934	6,621
Training	7,864	1,505
Bank Charges	225	693
Marketing & Communication	4,707	3,450
Recruitment/Support Staff Costs	3,957	893
Office Rent & Running Costs	12,202	8,526
Accountancy Fees & Bookkeeping	5,947	5,292
Depreciation	653	653
	<u>£ 66,960</u>	<u>£ 62,921</u>

Support costs all relate to the charitable activities on the basis of staff time.

11. TANGIBLE FIXED ASSETS

	Fixture and fittings
	£
Cost	
At 1 January 2016 and 31 December 2016	<u>1,959</u>
Depreciation	
At 1 January 2016	653
Charge for the year	653
At 31 December 2016	<u>1,306</u>
Net book value	
At 31 December 2015	£ 1,306
At 31 December 2016	<u>£ 653</u>

THE HALLER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. DEBTORS

	2016 £	2015 £
Due within one year		
Grants receivable	508	30,000
Prepayments	720	-
Other debtors	55,814	7,608
	<u>£ 57,042</u>	<u>£ 37,608</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Accruals	2,160	2,700
Taxation and social security	2,074	-
Sundry creditors	5,014	-
	<u>£ 9,248</u>	<u>£ 2,700</u>

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and investment gains/(losses) £	Carried Forward £
RESTRICTED FUNDS					
Education	36,069	2,413	(8,137)	-	30,345
Health	-	23,000	(19,559)	-	3,441
Water	82,672	84,292	(78,671)	-	88,293
Farmer Field Training	82,210	36,426	(68,603)	-	50,033
Alternative energies	6,350	-	-	-	6,350
Website	10,000	-	(10,000)	-	-
Haller prize	-	5,000	(5,000)	-	-
Core support	-	20,000	(2,000)	-	18,000
	<u>£ 217,301</u>	<u>£ 171,131</u>	<u>£ (191,970)</u>	<u>£ Nil</u>	<u>£ 196,462</u>

SUMMARY OF FUNDS

General Funds	83,440	141,128	(180,899)	-	43,669
Restricted Funds	217,301	171,131	(191,970)	-	196,462
	<u>£ 300,741</u>	<u>£ 312,259</u>	<u>£ (372,869)</u>	<u>£ Nil</u>	<u>£ 240,131</u>

THE HALLER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	General Funds		
	£	£	£	£
Tangible fixed assets	-	653	-	653
Net current assets	-	43,016	196,462	239,478
	<u>£ Nil</u>	<u>£ 43,669</u>	<u>£ 196,462</u>	<u>£ 240,131</u>

16. ANALYSIS OF THE NET MOVEMENT IN FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2016	2016	2016	2015
	£	£	£	£
Net movement in funds	(60,610)	-	(60,610)	149,617
Net expenditure on additions for the year	(653)	-	(653)	-
	<u>£ (61,263)</u>	<u>£ Nil</u>	<u>£ (61,263)</u>	<u>£ 149,617</u>

17. FINANCIAL INSTRUMENTS

2016
£

2015
£

The carrying amounts of the Charity's financial instruments are as follows:

Financial assets

Measured at fair value through net income / expenditure:

- Grants receivable	508	30,000
- Prepayments and other debtors	56,534	7,608

Financial liabilities

Measured at amortised cost

- Accruals (see Note 13)	2,160	2,700
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18. OPERATING LEASE COMMITMENTS

2016
£

2015
£

The charity is committed to give 3 months' notice on a rolling basis, with respect to its office rent. The current value is £600 + VAT per month, to be uprated annually in line with the Retail Price Index.

- Not later than 1 year	2,160	625
- Later than 1 year and not later than 5 years	-	-
- Later than 5 years	-	-
	<u>£ 2,160</u>	<u>£ 625</u>