



OPPORTUNITY
International

Opportunity International United Kingdom

A company limited by guarantee

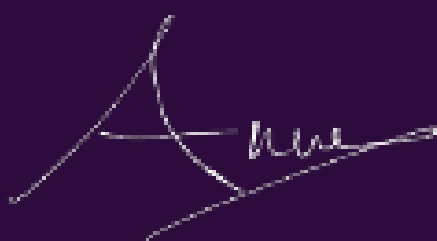
Report and consolidated financial
statements for the year ended 31
December 2022.



I have been Patron of Opportunity International for 25 years and have watched the organisation go from strength to strength. Today, over 18 million people worldwide are working towards a better future because of our work. The majority of these are women. This is because women and girls are more disadvantaged by poverty than men. The greatest challenge women in poverty face is not lack of ambition or motivation, but a lack of access to education, financial services and training.

When these needs are met, the impact is extraordinary. A woman will reinvest 90% of her own income back into her family. She will also have a greater voice, confidence and influence on financial and household decisions resulting in better nutrition, health and education for her family.

I saw this for myself when I visited our work in Uganda last year. I met an inspiring young woman called Sephora, who has built a successful business thanks to the financial training and support she received through our programme. Sephora is one of many clients who have told me how access to financial training, loans and savings as a result of Opportunity International's work transformed their life. It is your support that enables us to work with Sephora, and thousands like her, to build a better future for themselves. **Thank you.**

A handwritten signature in black ink, appearing to read 'Anne', written in a cursive style.

HRH The Princess Royal
Patron, Opportunity International UK

**OVER
10,000**

young people in Uganda and
Rwanda have been trained
in business skills

**3.9
MILLION
CHILDREN**

are benefiting from our
education programmes

**15,189
SCHOOLS**

Improved facilities to help
keep children in school
for longer

**18
MILLION
CLIENTS
REACHED
WORLDWIDE**

OVER 26,000

farmers trained to improve their
harvests across Africa



13,088

people living with disabilities
in Uganda have opened an
individual savings account



156,690

women using digital financial
services across Africa

92%

of clients
are women

5,281

Ugandan refugees
trained in financial literacy

Chief Executive, Nana Francois

Empowering Women

Since joining Opportunity International last September, it has been wonderful to see and celebrate our work in Ghana, Malawi, Rwanda and Uganda. We are delivering high-impact programmes with local partners to help our clients build sustainable livelihoods through financial access, financial and business training.

I've been particularly impressed by our work on farming as a family business in Malawi so men and women learn and thrive together; with Youth Village Savings and Loans Institutions in Rwanda; with young refugees in Uganda to set up their own enterprises; and young vulnerable women in Ghana. And I'm especially proud of our clients, like Janet who I met in Uganda and has built a thriving local school.

We want to reach 100,000 more women like Janet over the next two years. To continue providing life-changing programmes that build economic and climate resilience, and support enterprise and employment so that change is embedded and sustained.

It's you, our supporters and partners, who make this work happen. You share our passion for and commitment to Opportunity International's mission and clients. Thank you for your generosity; it empowers and equips our clients to work their own way out of poverty and transform the lives of their families.

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**Opportunity International United Kingdom
Trustees' annual report, year ended 31 December 2022**

The trustees of Opportunity International United Kingdom (hereafter "Opportunity International" or the "Charity", registered company number **05322719**, registered charity number **1107713** and **SC039692**), who are also the directors and members for the purposes of company law, present their report and financial statements for the year ended 31 December 2022.

Reference and administration

Principal and registered office

Opportunity International United Kingdom
Angel Court
81 St Clements
Oxford OX4 1AW

Bankers

Barclays Bank Plc
Oxford Corporate Banking
Wytham Court
11 West Way, Botley
Oxford OX2 0JB

Auditor

Mazars LLP
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Trustees

The trustees of the Charity who served from 1 January 2022 to the date of this report were as follows:

Clifford Hampton (Chairman)

John Ford (Treasurer)

Robert Goldspink (resigned 22nd June 2022)

Roger Witcomb

Anne Grim (resigned 1st October 2022)

Michael Crofton-Briggs

Hywel Rees-Jones

James Copestake

Tineyi Mawocha

Nigest Haile Goshu

Simon Martin (appointed 6th December 2022)

Stewart McCulloch (appointed 9th December 2022)

Senior staff

Chief Executive Officer: **Nana Francois**

Deputy Chief Executive: Strategic Execution and Partnerships: **Mary Oakes**

International Programmes Director: **Sally Vicaria**

Finance Director: **Shabnam Zamurd**



Objectives and activities

Our vision is a world in which all people have the opportunity to achieve a life free from poverty, with dignity and purpose.

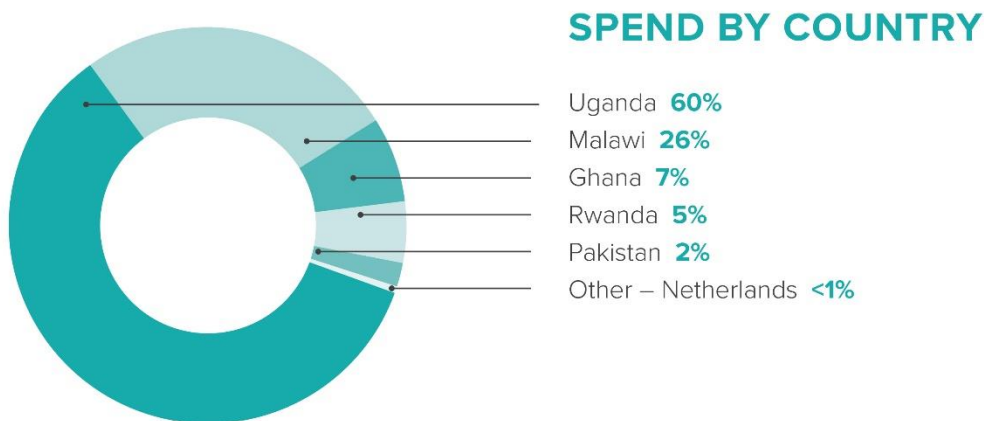
The Charity's primary aim is to facilitate the provision of microfinance services to people living in poverty around the world, helping them to work their way out of poverty. By providing financial solutions and training, we empower people to transform their lives, their children's futures and their communities. They are our ultimate beneficiaries and we refer to them as 'clients'.

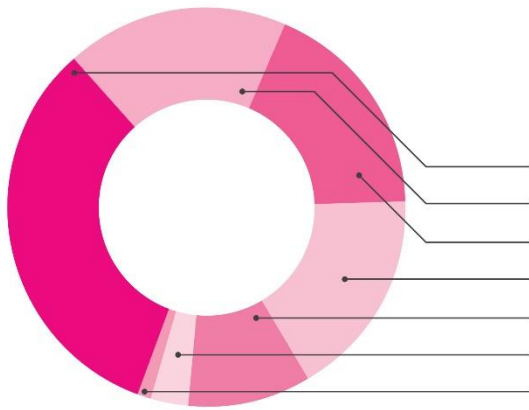
We are motivated by our Christian faith and we work with clients regardless of their race, ethnicity, gender or religious affiliation. Six core values guide the way we work: commitment; humility; respect; integrity; stewardship; and transformation.

We deliver our work through creating partnerships on the ground, with socially driven microfinance organisations, NGOs and other relevant organisations.

The trustees confirm that they have referred to and given due consideration to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and planning activities. Most of our projects are in sub-Saharan Africa. By focusing on this area our aim is to achieve quality and depth in our activities rather than geographical spread. We have focused our efforts on a small number of key partnerships based in Uganda, Malawi, Ghana and Rwanda.

The trustees believe that this approach has allowed the Charity to have greater impact whilst deploying resources cost effectively, with greater governance, monitoring and control, and thereby meeting the public benefit requirement.





2022 INCOME

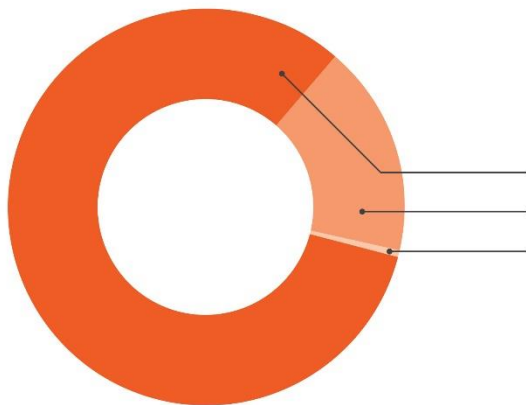
£2.6M

Where the money came from:

- Statutory **33%**
- Individual donations **18%**
- Trusts and Foundations **18%**
- Legacies **17%**
- Gift in kind – media **10%**
- Other income **3%***
- Companies **1%**

** Bank interest and income from other Support Members.*

Our expenditure on fundraising and governance costs was 17% during 2022, with 82% of income spent on alleviating poverty in line with our charitable purpose.



2022 EXPENDITURE

How money was allocated by type of expenditure:

- Charitable activities **82%**
- Cost of generating funds **17%**
- Governance costs **<1%**



Highlights of our Programme Activities for the Year:

AGRICULTURE / RURAL FINANCING

Strengthening Livelihoods in Rural Rwanda - Scottish Government (2017-2023)

Between 2017 and 2021 OIUK managed a £1.6 million Scottish Government funded project to create jobs, increase incomes, and enhance household resilience amongst smallholder farmers and micro-entrepreneurs in rural districts of Western and Southern Rwanda. Over the course of the project 14,000 people, including 10,285 farmers (34% women) and 3,716 micro-entrepreneurs (67% women) accessed financial services and training to enhance their income generating activities, and 42,000 jobs were created or sustained. 120 banking agents were recruited to provide access to digital financial services in the target districts, and over 12,000 savings accounts were opened. 10,600 families received Holistic Life Training, including topics on financial literacy, health, business, and social skills. 8,955 farmers learned improved agricultural practices and by the project close 80% of participating farmers reported higher yields, while 60% reported increased earnings. It is estimated that 56,000 family members indirectly benefited as a result of the project's interventions.

In March 2022 the Scottish Government granted a one-year extension to the original project, with an additional £150,000 in funding. This funding is helping us to deliver activities which address areas of need identified by beneficiaries in the original project's final external evaluation. Extra effort is being made to extend activities to remote rural areas and to reach previously un/underserved populations including women, youth and people living with disabilities. It is expected that an additional 1,500 people will benefit from Holistic Life Skills Training and 1,200 more farmers will learn improved agricultural practices. 1,500 people will receive loans for business and agricultural activities, and access secure savings. Midway through the extension period, 949 people have been trained in Holistic Life Skills and 480 farmers have received agricultural training and loans, while an additional 150 Village Savings and Loan Associations (VSLA) members and 75 youth have accessed business loans. 15 new rural banking agents have been recruited and 752 savings accounts have been opened.

Integrated Grain Hubs for Rural Communities in Uganda - DANIDA (2021-2025)

Between 2021 and 2025 OIUK is participating in a consortium of Danish companies and NGOs to create 25 village-based commercially viable 'grain hubs' in Uganda by introducing Danish technologies and equipment for grain drying and storage, milling, seed cleaning and treatment. The overall aim of the project is to mitigate against post-harvest losses, improve rural livelihoods, and create jobs particularly for rural women and youth. The target is to establish 50 new rural businesses over 4 years - 25 grain hubs, 5 milling plants, 5 seed treatment plants and 15 related agri-businesses. It is expected that 3,000 farming households will benefit from improved incomes due to higher quality grain, less post-harvest wastage and better access to finance and



markets. OIUK's role in the consortium is to mobilise and train cooperatives and smallholder farmers to prepare them to access financial services.

Since the project launch, OIUK has recruited and trained Farmer Support Agents (FSAs) who have gone on to mobilise and profile over 4,000 farmers. FSAs are training farmers on 'Farming as a Family Business', Good Agricultural Practices including post-harvest handling, and financial literacy in preparation for linkages to financial service providers. In addition, 10 cooperatives have been trained in Responsible Business Conduct (UN Global Compact). Having sensitised farmers and cooperatives on the range of financial products and services available, OBUL (Opportunity Bank Uganda Limited) staff are now visiting cooperatives to identify farmer groups and individuals that are ready and eligible to access working capital credit or asset financing.

Strengthening Financial Inclusion in Rural Malawi - Jersey Overseas Aid (2021-2024)

In 2021 OIUK was awarded a £1.2 million grant from Jersey Overseas Aid to strengthen financial inclusion in Malawi. Over three years, the grant will enable OIUK to improve the supply and demand of innovative, pro-poor financial products and services for rural populations in Malawi. The project began in September 2021 and was formally launched in March 2022 with Malawi's Gender Minister as guest of honour. In the first year of implementation three Financial Service Providers (FSPs) were onboarded to provide formal financial services to the rural poor. FSP staff received training on agricultural finance, climate resilience, gender awareness, Village Saving and Loan Association (VSLA) linkages, loan guarantee funds, impact measurement and data collection. OIUK's Director for Digital Financial Services (DFS) Africa made three visits to Malawi to carry out customer journey mapping and to conduct FSP partner DFS needs assessments. From these assessments the need to digitalize VSLA systems and processes was identified.

OI Malawi identified 1,294 VSLAs in the four target districts and conducted a mapping exercise to understand their capacity gaps and needs. Capacity building trainings have focused on equipping VSLAs to improve management of their groups and businesses, increasing knowledge of financial products and services, and preparing groups to access formal financial services. 74 Farmer Support Agents were recruited, trained, and equipped to provide training, as well as market and financial linkages to farmers. To date, 11,263 farmers and rural entrepreneurs have received training in financial literacy, good agriculture practices and micro-enterprise development. In addition, Value Chain analysis identified the most profitable cash crops in the target districts leading to the development of appropriate financing packages. The study found that very little value addition is happening, so this may be an area for future development. A peer-to-peer mentoring scheme was also launched for rural women and youth entrepreneurs. In the first cohort 144 local business people are providing practical support and guidance to 216 women and 144 youth.



LIVELIHOODS / ECONOMIC DEVELOPMENT

Refugee: Innovation, Self-Reliance and Empowerment (RISE), Uganda – 'Invest for Growth', Swiss Capacity Building Facility (SCBF), and Private Donor funding

In 2019 OIUK launched its *Refugee Innovation, Self-Reliance and Empowerment (RISE)* initiative to support financial inclusion and livelihoods development for refugees in Uganda. Following refugee journey mapping and product development, OBUL developed savings and loan products tailored to the needs of refugees, these take into consideration that documentation held by refugees is different to that of nationals and that they lack capital. To support the delivery of financial services OBUL is rolling out an adapted financial literacy training curriculum to build awareness and facilitate linkages to the bank. Financial Inclusion Officers have been recruited from within the refugee community to build trust and overcome language and cultural barriers.

Having operated from a temporary structure for two years, in October 2021 OBUL opened a full-service branch in Nakivale refugee settlement. The branch has 18 staff members (10 nationals, 8 refugees). This includes six Financial Inclusion Officers (five of whom are refugees) who work with the settlement delivering financial literacy training. The branch has raised OBUL's visibility within the settlement and demonstrates OBUL's long-term commitment to serving refugees. Footfall has increased since the branch opened, expanding OBUL's client base. As of January 2023, over 10,500 people have been trained in financial literacy, 6,587 accounts have been opened (6,239 individual and 348 group) with a savings volume of £7 million, and 1,687 loans have been disbursed. The branch has also proven popular with the wider community as OBUL installed an ATM and handles remittances and currency conversions.

In January 2022, OBUL expanded RISE to start working with urban refugees in four districts of Kampala and in Mbarara (the nearest town to Nakivale). This pilot had the same aims as RISE in terms of providing access to financial products specific to the needs of refugees and delivering financial literacy training. Three new Financial Inclusion Officers have been hired, and ten new Banking Agents have been established. One year on, 1,853 urban refugees have been trained in financial literacy, 774 individual and 108 group accounts have been opened with a savings volume of around £68,000, and 88 business loans have been disbursed. OBUL has since partnered with MercyCorps to add business skills training and mentoring through business clinics. In a relatively short period OBUL has been able to make the case for serving urban refugees and establish partnerships which bodes well for future work in this area.



Refugee: Innovation, Self-Reliance, and Empowerment -Transition (RISE-T), Uganda (2022-2025) Dutch Government, Challenge Fund for Youth Employment (CFYE)

In 2022 OIUK and consortium partners including, Cohere, PHB and OBUL, applied for and received funding from the Dutch 'Challenge Fund for Youth Employment' for their work with young refugees (age 18-35 years) in Nakivale and Rwamanjwa settlements in Uganda. Refugees from these settlements are predominantly from the Democratic Republic of Congo, with others originating from Burundi, South Sudan and Rwanda. Many are particularly vulnerable having been displaced because of internal unrest in their home countries. They may have been separated from their families and need to find reliable work in order to provide for themselves and younger siblings or other dependents.

Building on lessons learned from OIUK's RISE programme in Nakivale settlement, the project takes a market systems approach, through multiple partnerships, to address the supply and demand challenges affecting the ability of young refugees to access financial services and develop sustainable businesses. On the supply side the project will focus on building the capacity of OBUL to reach downmarket and serve what is perceived to be a high-risk clientele, while on the demand side training and support systems will be put in place to help young refugees develop viable businesses.

The three-year project will support 10,000 young refugees to access decent work and achieve self-reliance through the acceleration and scaling of refugee-led businesses. Through tailored business development services, mentoring, market and financial linkages, the consortium will address many of the economic and capacity challenges faced by young refugees in Uganda which prevent them from accessing decent work. The total budget is €1,640,000 of which €648,000 is a grant from CFYE. Following an inception period, the full project roll-out began in January 2023.

Financial Inclusion for People with Disabilities, Uganda - National Lottery Community Fund (2019-2022)

In 2019 OIUK launched a disability inclusion project in Uganda with support from the National Lottery Community Fund. The aim was to mainstream financial inclusion for people with disabilities (PWD) throughout Opportunity Bank of Uganda's (OBUL) operations, and to improve the livelihoods and resilience of 3,700 people with disabilities, their caregivers and family members through access to financial literacy and business training, loans, and savings.

The project ran from July 2019 to December 2022. Despite the disruption of Covid-19 most of the objectives were met or exceeded, and participants reported significant improvements in income and their confidence for the future. In line with the principle advocated by the disability rights movement, 'Nothing About Us Without Us' OBUL endeavoured to include people living with disabilities in the project planning, implementation, and evaluation. This was achieved through participation in the



Steering Committee, establishing Councils of Reference in each of the four target areas, and conducting participatory video during the project evaluation. The Council of Reference members set their own targets for mobilising and training their peers which enabled deeper outreach into rural areas.

Cheshire Services Uganda conducted a Capacity Gap Analysis at OBUL, which led to revisions in the bank's policies and procedures to include disability positive actions, and accessibility adaptations at Head Office and all 24 branches. Over 200 staff attended disability awareness training to challenge attitudes and improve service levels for PWD. OBUL's financial literacy and business skills curricula were customised through the inclusion of detailed illustrations, voice recordings, local language interpretations, use of drama and role play to explain key concepts, and sign language interpreters at trainings. In all, 17,945 PWD and caregivers were trained against a target of 3,700.

The project participants welcomed the linkages made between informal savings groups (VSLAs) and the bank and particularly appreciated that bank staff came out to the villages to meet them and help them open accounts. In all, 2,553 individual and 892 group savings accounts were opened reaching 22,412 people, 1,124 people enrolled for mobile money services, and 2,043 loans were disbursed. The Portfolio at Risk (PAR) rate was just 1%, proving that people living with disabilities can be reliable loan recipients. Over 1,000 new businesses were established.

One of the key barriers that people living with disabilities face in accessing financial services is discrimination and stigmatization from the wider community. OBUL embarked on a community sensitisation campaign via radio, a TV Edu-drama, and roadshows. Radio talk shows reached an audience of almost 500,000 while OBUL's TV drama 'Hold my Hand' reached over 2 million viewers. The campaign enhanced understanding and acceptance of persons with disabilities. OBUL presented the project's achievements at the Bank of Uganda's Financial Inclusion workshop, and has been encouraged by the project partners, the Association of Microfinance Institutions of Uganda (AMFIU), the National Union of Disabled Persons of Uganda (NUDIPU) and Cheshire Services Uganda to share its experience more widely to influence other Financial Service Providers to serve people living with disabilities in Uganda.

Addressing the key constraints preventing the growth of Small and Medium-sized Enterprises (SMEs) in Uganda - Argidius Foundation (2021-2024)

Uganda's business landscape is dominated by a large number of small firms which account for around 90% of the private sector and contribute 18% of Gross Domestic Product (GDP). However, many SMEs are informal, family-run enterprises with limited job creation potential. Between 2021 and 2024, with support from the Argidius Foundation, OIUK will build the capacity of OBUL to serve growth-orientated SMEs and address the constraints that prevent them from becoming established businesses. OBUL will facilitate access to appropriate financial services alongside training, mentoring, and coaching to enable 7,000 SME owners to expand their businesses



sustainably and generate employment. It is expected that over 27,000 family members will indirectly benefit from increased business income; and that the businesses will positively impact around 3,500 employees and their families through regular income.

Project implementation has been impacted by economic downturn in Uganda, as a result of Covid-19 and the war in Ukraine. The project began with a diagnostic review and gap analysis to address OBUL's capacity needs for serving the SME market. Following the review, an SME training curriculum was designed and rolled out to senior managers and branch staff via a Training of Trainers approach. The project has also enabled OBUL to develop a new nucleus model of lending through supply chain financing, which allows lending to SMEs without traditional collateral.

In 2022 OBUL conducted five regional roadshows to showcase the bank's focus on SME lending and developed brand visibility through advertising on billboards, TV, radio, and trade shows, plus attendance at expos and symposiums. OBUL has been able to leverage this visibility through government networks and the Uganda Investment Authority has shown interest in OBUL's work with SMEs. OBUL has also been recognised as the best performing bank in the Government of Uganda's Small Business Recovery Fund, which was set up to help SMEs recover following Covid.

EDUCATION

EduFinance Technical Assistance Facility and Education Quality, Pakistan - 'Invest for Growth', SCBF

According to UNICEF, Pakistan has the world's second-highest number of out-of-school children with an estimated 22.8 million children aged 5-16 not attending school. Socio-cultural barriers combined with economic factors and supply-related issues hamper access to education and retention of marginalized groups, particularly adolescent girls. Gender-wise, boys outnumber girls at every stage of education.

In 2019 OIUK, OI Canada and OI Australia injected funds to launch Education Finance in Pakistan. Since then, five financial institution partners have received technical training assistance to develop education finance portfolios. Cumulatively they have invested US\$7.2 million into low-cost education; 4,842 loans have been disbursed to parents and schools for school fees and infrastructure; and 963,193 children are benefiting from an improved education.

OIUK has since committed further funds to support the rollout of OI's Education Quality programme. In November 2022 Pakistan Microfinance Investment Company (PMIC) and OI Education Finance signed a Memorandum of Understanding to launch a three-year Education Quality Programme in Pakistan. The programme will focus on enhancing the quality of education in 100 schools in Southern Punjab through the capacity building, mentoring and skills enhancement of school owners and teachers, along with the provision of school improvement loans. The initiative will support more than 500 teachers and school owners while benefiting at least 30,000 children.



YOUTH

Empowering Youth in Rural Uganda - 'Invest for Growth', Swiss Capacity Building Facility (2020-2022)

Youth un/underemployment is one of the biggest challenges currently facing Africa. 78% of the Ugandan population is under the age of 31 and while about 700,000 youth reach working age every year in Uganda, only 75,000 new jobs are created. In 2019 OIUK launched its Youth Strategy with a pilot project supporting rural youth in Uganda. Between January 2020 and April 2022 OIUK partnered with OBUL, 'Teach a Man To Fish' (TAMTF), MicroSave and OI's AgriFinance Team to improve the economic situation of 6,000 rural youth (average age 24) through training in good agricultural practices, business entrepreneurship and financial management, alongside access to financial services.

The project worked with established Youth Farmer Field Schools (YFFS) formed by Hanns R. Neumann Stiftung through their TEAM Up programme in Mityana district. Business and financial literacy modules were adapted to meet the needs of rural youth and 52 youth facilitators were recruited and trained to mentor groups and deliver the training curriculum. Throughout the pilot 152 YFFSs received training in financial and business management. All 152 YFFS groups created business plans and started group businesses. In all, over 1,000 new businesses were established.

Funding from SCBF enabled MicroSave to support OBUL to develop new financial products tailored to the needs of youth. As a result, following market research, product development and testing three new savings products - VSLA, Child and Extra Savings accounts - and two new loan products – an individual and a group loan product were launched. The products were rolled-out to all 152 Youth Farmer Field Schools and by the end of August 2022, 5,352 youth were saving with OBUL (144 groups with 4,457 savers and 895 individuals). 538 youth also benefited from loans (10 groups with 342 members, and 196 individuals) with a total loan portfolio of \$129,611.

An endline survey conducted with participating youth revealed that 84.5% reported increased income over the past year. 44% attributed this to a new or expanded business and 36% to a good agricultural season. 85% reported an improvement in their diet, leading to the assumption that more income leads to a better diet. 88% felt that business training had improved their business activities, and 95% reported that life had improved compared to a year ago.

Kayayei Programme, Ghana - CarVal Investors Foundation and Medicor Foundation

Kayayei, or female head porters, are young women who earn a meagre living by carrying the wares of patrons on their heads in Ghana's city markets in exchange for a fee. The majority have migrated from extremely poor rural areas in Northern Ghana in search of work, and to escape poverty, early marriage, and other harmful cultural practices. They live a precarious existence on the streets and are at risk of abuse, and



many are mothers to young children. Although there is no official data on the number of young women working as Kayayei in Ghana, the Ghana Kayayei Association estimates that there are approximately 6,000 in the capital city Accra alone.

To mitigate the harsh conditions in which Kayayei live, OIUK's local partner Opportunity International Savings and Loans (OISL) has developed a programme to train Kayayei in practical vocational and life skills giving the young women an alternative livelihood. OISL works in partnership with Marie Stopes who provide education on sexual and reproductive health, family planning and maternal health; Women in Law and Development in Africa who run workshops on domestic abuse (including physical, economic and emotional abuse), and local NGO Ghacoe Women's Ministry who cover relationships and coping techniques.

Since 2019, CarVal Investors Foundation has provided multiple grants to support the Kayayei programme. In the most recent cohort 108 girls and young women (aged 15-24) gained vocational skills in beading, soap making and baking. They also gained knowledge on healthy lifestyle issues, including menstrual hygiene, sexual and reproductive health care, family planning, and pre-and post-natal care. To help them establish income generating enterprises the women received training in financial literacy and business management and were provided with start-up kits in their chosen business. By the end of the programme 64 young women had opened savings accounts, and 44 chose to return to their homes and families in the North of Ghana to seek better work and opportunities.

In 2022 we were delighted to receive a grant of CHF 200,000 from Swiss-based Medicor Foundation to bolster the Kayayei programme. Over a two year period (January 2023-December 2024) 200 more Kayayei will have the opportunity to participate in vocational and life-skills training helping them to break free from generational poverty.

DIGITAL FINANCIAL SERVICES (DFS)

Mobile-Agent Banking Upgrade, Urwego Bank, Rwanda - Swiss Capacity Building Facility (2020-2022)

In 2020 OIUK was awarded a 161,245 CHF (£110,000) grant from the Swiss Capacity Building Facility to upgrade mHose, Urwego Bank's Mobile-Agent Banking Application. The aim of the project was to develop user friendly digital delivery channels to enable Urwego to reach currently un/underserved clients in rural areas of Rwanda where it is not feasible or cost effective to build a bank branch, thus contributing to enhancing livelihoods in some of the most remote and underdeveloped areas of Rwanda. Urwego's target was for 80% of its financial transactions to be performed through digital channels by 2022, up from 55% in 2019.

Through market research and stakeholder engagement Urwego established both the bank and clients' requirements for an upgraded mobile-agent banking application. Vendors were selected and a new digital platform and app were designed and



integrated with Urwego's core banking system. Following pilot testing and staff training the upgraded mHose system went live in May 2021. By the end of the grant period in April 2022 Urwego had registered 42,755 clients on the new system, with a 73% activity rate (in the previous 30 days). 57% of registered users were women, 25% were youth and 73% were rural customers indicating that more remote and marginalised clients are being reached by digital financial services. Clients are benefiting from access to a full range of financial services via their mobile phones which makes significant savings in both their time and the cost of travelling to a bank branch. By the close of the grant Urwego had achieved its target of processing 80% of transactions through the mobile banking app.

Significant activities of OMIL

Last year Opportunity International did not make any grants (2021: £455,919) to its wholly owned social investment vehicle, Opportunity Microfinance Investments Limited (hereafter OMIL).

Charity results for the year

The trustees are pleased with the results of 2022, as the income from our supporters and our reserves allowed us to fund many different projects. We sustained our charitable expenditure at 82% (2021: 87%) of total expenditure.

Group results for the year

The Charity may retain an interest in the programmes it funds by taking a shareholding in the receiving institution. These programme investments help the Charity to improve its ongoing oversight but also have the effect of forming a financial group. The Group is a consolidation of the Charity's finances and the additional net income, attributable to the group, by virtue of its shareholdings. The Consolidated Statement of Financial Activities and Consolidated Balance Sheet describes the Group that is formed.

Group results have changed as follows when compared to last year:

- Income has decreased from £4.3 million to £2.6 million;
- Net assets have decreased by just over £1.4 million; and
- Results for the year reflect a deficit of just over £1.4 million.

Investments

All investments held by Opportunity International have been acquired in accordance with the powers available to the trustees. Cash surplus to immediate requirements is deposited in high interest accounts operated by the Charities Aid Foundation, Scottish Widows and CCLA Investment Management Limited.

Shares are purchased in Opportunity International Implementing Partners in order to achieve charitable objects rather than with the aim of generating income or the best investment return. As such, investments are classed as programme investments. Implementing Partners are faced with difficult economic and political conditions, and it is challenging to appoint and retain senior management in these organisations, hence the Charity is unable to guarantee the economic value of such investments. No



dividends are payable on these investments and, if this changed in the future, the proceeds would be reinvested into the institution in service of the poor clients.

Governing document

Opportunity International is a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association.

Organisational structure

The Board of Trustees, currently consisting of ten members, administers the Charity. The Board of Trustees meets at least quarterly. Additionally, the trustees have formed a Finance and Audit Committee and a Board Development Committee.

The Finance and Audit Committee reviews detailed budgets, the risk register, staff remuneration, and matters pertaining to external and internal audits. The Board Development Committee reviews the performance and composition of the board.

A Chief Executive is appointed by the trustees to manage the day-to-day operations of the Charity. The pay for all staff is compared to the market for similar charities in size and location, as well as individual performance. The senior leadership team remuneration is set and annually reviewed by the Finance and Audit Committee.

Appointment of Trustees

As set out in the Articles of Association, the trustees nominate the Chairman and Treasurer.

The Board of Trustees consists of at least five and no more than 15 individuals, all of whom are the members of Opportunity International and directors for purposes of company law.

One third (or the number nearest one third) of the trustees retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots. However, a retiring trustee who remains qualified may be reappointed for a maximum of two consecutive terms of office.

Trustees' remuneration

No trustees receive remuneration.

Trustees' indemnity provision

The Charity has taken out indemnity insurance, on behalf of the trustees.

Appointment, induction and training of trustees

Potential new trustees are reviewed by the Board Development Committee and may then subsequently be asked to attend a Board of Trustees' meeting where they meet trustees and key staff of Opportunity International. At the following trustees' meeting, the potential new trustee is invited to join the board and providing that all trustees agree the individual becomes a new trustee.

The new trustee's induction is made by the Chairman and Chief Executive of Opportunity International at a further meeting where the new trustee is introduced to



his or her legal obligations, the content of the Memorandum and Articles of Association, the committee and decision making process, the strategy and the recent financial performance.

Relationship with other organisations

The origins of Opportunity International date back to the early 1970s, when a network of organisations giving people a hand up out of poverty came together, motivated by Jesus' call to love and serve the poor. In 2000, these organisations united under a formal membership structure, whereby 'Implementing Members' were exclusively microfinance institutions. Over time, Opportunity International broadened its approach to tackle multiple dimensions of the complex problems of poverty. It identified solutions that are putting technology to work, enhancing health outcomes, strengthening resilience and food security, and addressing some of the challenges around the provision of quality education through the non-state sector. As a result, the Opportunity International network today is a much broader ecosystem of partners. The central coordinating hub of the network is 'Opportunity Global'. The five affiliates of Opportunity Global are offices in Australia, Canada, Germany, the UK and the US.

Reserves policy

OIUK is an international development Charity. Our aim is to use business solutions and financial inclusion to help lift the economically active poor out of poverty so that they can help build sustainable and stable communities. The intention is for them to continue to stay out of poverty by focusing on their children's education as well as their health and sanitation needs. Whilst other charities deal with failure of a market, or a disaster, at OIUK we work with the determined poor who have the drive to succeed in very challenging circumstances so that donor support can last for generations. Additionally, we are pioneering new ways of working and finding new financial solutions to deal with oncoming challenges. For example, the anticipated doubling of the youth population in Africa so that we can be at the forefront improving their prospects and averting a future refugee crisis.

Our funding sources vary from three-year programmes to one off gifts from our private donors. 60% of our funding is for one year only. This is why we need to ensure we have the available reserves to be able to continue to employ the staff to see agreed programmes to completion.

Many of our programmes require match funding. This means that we would secure a grant to complete a programme but then be required to fund the remaining work from other donors or from our unrestricted reserves, current forecasts show that we will need to pay £800,000 to meet the match funding obligations imposed by donors in relation to the relevant programmes.

In addition to match funding some of our donors require us to send funds up-front. Internally we refer to this as pre-funding of programmes. This allows the partner to carry out the project activities and report back to us; we then claim the funds from these institutional donors.

OIUK is affiliated to like-minded charitable organisations operating in the US, Australia, Germany and Canada. A central secretariat has been established to provide key



services, and we usually need to fund our agreed share of the costs from our unrestricted reserves.

Finally we want to be good stewards of donors' funds and to continue to provide funding for the poor into the future. Reserves mitigate risks such as a downturn in OIUK's various sources of income or an unforeseen increase in costs. Some of our funders cap their contribution at 5% which means that we need to raise additional unrestricted income to augment this to enable us to continue to function effectively for the longer term.

	<u>£'000</u>
Unrestricted reserves of OIUK	2,334
Less fixed assets	(5)
Less required for match funding	(800)
Available free reserves	1,529

At OIUK we consider the appropriate level of reserves to secure the future of our charity to be six months of operating costs cover plus match funding needs which totals £1m. Our current reserves are in excess of these requirements by £529k but we have budgeted a deficit which means by the end of 2023 our reserves will be in line with our policy.

Risk management

The trustees have a risk management strategy which comprises an annual review of the risks the Charity may face, the establishment of systems and procedures to mitigate those risks, and the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise. The key identified risks are detailed below:

Identified risk	Risk mitigation measures
Reduction in fundraising income from private donors	The Charity will be relying on unrestricted reserves to mitigate this risk and aims to return to breakeven as soon as possible.
Over commitment of funds and inability to raise a match requirement	The Charity is relying on unrestricted reserves to mitigate this risk.
Reduction in income from government grants following the merger of DFID and the Foreign & Commonwealth Office (FCDO)	Our Programme team are seeking and securing alternative large Trusts and Foundations and other government funding.
Safeguarding risk	DBS checks are done for all staff and safeguarding training is provided regularly to all staff and trustees.
Loss of key personnel	Raisers Edge donor database and Box.com are kept up to date, to ensure knowledge is not lost and a seamless transition can take place.



Donations

During the year, the Group made no political donations (2021: £nil).

Statement of trustees' responsibilities

United Kingdom Company Law applicable to incorporated charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charitable company and group's activities during the year, of the surplus or deficit of the charitable company and group for that year and of its financial position at the year end. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

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

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the charitable company and group and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. So far as the trustees are aware:

- there is no relevant audit information of which Opportunity International's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that Opportunity International's auditors are aware of that information and that they have made such enquiries of fellow trustees and of Opportunity International's auditors for that purpose and taken such other steps (if any) for that purpose, as were required by their duty as trustees of Opportunity International to exercise due care, skill and diligence.

Plans for future periods

Opportunity International UK is committed to a world in which all people have the opportunity to achieve a life free from poverty, with dignity and purpose.

Through committed supporters, private philanthropy and institutional funding we are enabling people to build sustainable livelihoods.

We work alongside carefully selected local partners to design and manage our key programmes across sub-Saharan Africa. With our support, local partners deliver inclusive, appropriate, client needs-led access to formal financial products and services.



Providing access to financial services and training, together with livelihoods training and support, helps sustainable income and wealth creation become a reality for the most marginalised and under-served in the countries where we work.

People living in poverty are becoming increasingly vulnerable to the impacts of extreme weather conditions. Weather events such as Cyclone Freddy in Malawi in March 2023 remind us how precarious our clients' lives are, and how important it is to build their climate and economic resilience. Our innovative programmes use climate-focused training and digital solutions to provide both secure savings, and up to date information on weather forecasting and training.

This can be seen in our current programmes – strengthening rural business in Malawi and Rwanda, supporting Kayayei (street porter) girls in Ghana, building sustainable livelihoods for refugees and people with disabilities in Uganda and supporting young people in Rwanda.

As we continue to deliver our ambitious 2021 - 2025 strategy, we will focus on:

- 1) Providing women with equal opportunities to be financially independent and secure
- 2) Developing programmes that build skills for young people to help them find employment
- 3) Building climate resilience through climate adaptation and mitigation training through all our programmes

We will also focus on our impacts, not only at a project and programme level, but also at a systems level. We will do this by using our innovative market based approach to further strengthen and influence value chains in favour of the underserved, and to inform financial services related practices.

By 2025 we aim to support over 1.5 million people to build a better life for themselves and their families. To achieve this we need to raise £10 million. This will be a hand-up not a hand-out to our clients who are working every day to unlock their own potential and lift themselves, their families and communities, out of poverty. In preparing this report, the trustees have taken exemption of the small companies exemptions provided by section 416A of the Companies Act 2006.

Approved by the Board of Trustees and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'Clifford Hampton'.

Clifford Hampton
(Chairman)
13 June 2023



Opinion

We have audited the financial statements of Opportunity International United Kingdom (the 'parent charity') and its subsidiary ('the group') for the year ended 31 December 2022 which comprise Charity Statement of Financial Activities, the Consolidated Statement of Financial Activities, the Charity Balance Sheet, the Consolidation Balance Sheet, the Consolidated Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 and of the parent charity's affairs as at 31 December 2022 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 charity and 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.



Independent auditor's report to the members of Opportunity International United Kingdom Year ended 31 December 2022

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 charity'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 course of 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 the audit:

- the information given in the trustees' report which includes the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report including 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 parent's charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' 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 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' exemption in preparing the Report of the Trustees and from the requirement to prepare the Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 the financial statements. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the group, the parent charity and its industry, we considered



that non-compliance with the following laws and regulations might have a material effect on the financial statements: Charities Act 2011, Charities Accounts (Scotland) Regulations 2006, UK tax legislation, anti-bribery, corruption and fraud and money laundering.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion), the classification of income and expenditure, impairment of programme related investments and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.



Independent auditor's report to the members of Opportunity International United Kingdom Year ended 31 December 2022

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.


David Hoose (Jul 18, 2023 08:10 GMT+1)

David Hoose (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date: 18-Jul-2023



Charity Statement of Financial Activities
(Including income and expenditure account)
Year ended 31 December 2022

	Note	Unrestricted funds	Restricted funds	Total funds year ended 31 December 2022	Total funds year ended 31 December 2021
		£	£	£	£
Income from:					
Voluntary income	2	970,304	1,404,641	2,374,945	4,155,562
Investment and other income	3	264,621	-	264,621	103,652
Total income		1,234,925	1,404,641	2,639,566	4,259,213
Expenditure on:					
Cost of generating funds	4	(471,578)	-	(471,578)	(414,378)
Charitable activities	4, 5	(730,107)	(1,540,914)	(2,271,021)	(2,981,182)
Total expenditure		(1,201,685)	(1,540,914)	(2,742,599)	(3,395,560)
Net movement in funds		33,240	(136,273)	(103,033)	863,653
Funds brought forward		2,301,315	2,358,560	4,659,875	3,796,222
Funds carried forward	15	2,334,555	2,222,287	4,556,842	4,659,875

The notes on pages 35 to 53 form part of these financial statements. All results are derived from continuing operations.

There are no recognised gains or losses other than those passing through the statement of financial activities.



**Charity Statement of Financial Activities
(Including income and expenditure account)
Year ended 31 December 2022**

**Comparative Charity Statement of Financial Activities
(Including income and expenditure account)
Year ended 31 December 2021**

	Note	Unrestricted funds	Restricted funds	Total funds year ended 31 December 2021	Total funds year ended 31 December 2020
		£	£	£	£
Income from:					
Voluntary income	2	983,291	3,172,270	4,155,562	2,554,879
Investment and other income	3	103,652	-	103,652	43,526
Total income		1,086,943	3,172,270	4,259,213	2,598,405
Expenditure on:					
Cost of generating funds	4	(414,378)	-	(414,378)	(384,935)
Charitable activities	4, 5	(605,610)	(2,375,572)	(2,981,182)	(3,056,000)
Total expenditure		(1,019,988)	(2,375,572)	(3,395,560)	(3,440,935)
Net movement in funds		66,955	796,698	863,653	(842,530)
Funds brought forward		2,234,360	1,561,862	3,796,222	4,638,752
Funds carried forward	15	2,301,315	2,358,560	4,659,875	3,796,222



**Consolidated Statement of Financial Activities
(Including income and expenditure account)
Year ended 31 December 2022**

	Note	Group Unrestricted funds £	Group Restricted funds £	Total funds year ended 31 December 2022 £	Total funds year ended 31 December 2021 £
Income from:					
Voluntary income	2	970,304	1,404,641	2,374,945	4,155,561
Investment and other income	3	264,621	-	264,621	103,652
Total income		1,234,925	1,404,641	2,639,566	4,259,213
Expenditure on:					
Cost of generating funds	4	(471,578)	-	(471,578)	(414,378)
Charitable activities	4, 5	(732,650)	(2,471,682)	(3,204,332)	(2,530,023)
Total expenditure		(1,204,228)	(2,471,682)	(3,675,910)	(2,944,401)
Net incoming/ (outgoing) funds		30,697	(1,067,041)	(1,036,344)	1,314,812
Exchange loss on convertible loans	10	-	(289,555)	(289,555)	(38,156)
Loss on sale of shares	10	-	(132,933)	(132,933)	-
Net movement in funds		30,697	(1,489,529)	(1,458,832)	1,276,656
Transfer between funds		352,041	(352,041)	-	-
Funds brought forward		2,839,031	4,973,910	7,812,941	6,536,285
Funds carried forward	16	3,221,769	3,132,340	6,354,109	7,812,941

The notes on pages 35 to 53 form part of these financial statements. All results are derived from continuing operations.

There are no recognised gains or losses other than those passing through the statement of financial activities.



**Consolidated Statement of Financial Activities
(Including income and expenditure account)
Year ended 31 December 2022**

**Comparative Consolidated Statement of Financial Activities
(Including income and expenditure account)
Year ended 31 December 2021**

	Note	Group Unrestricted funds	Group Restricted funds	Total funds year ended 31 December 2021	Total funds year ended 31 December 2020
		£	£	£	£
Income from:					
Voluntary income	2	983,291	3,172,270	4,155,561	2,867,723
Investment and other income	3	103,652	-	103,652	43,526
Total income		1,086,943	3,172,270	4,259,213	2,911,249
Expenditure on:					
Cost of generating funds	4	(414,378)	-	(414,378)	(384,935)
Charitable activities	4, 5	(610,370)	(1,919,653)	(2,530,023)	(2,739,591)
Total expenditure		(1,024,748)	(1,919,653)	(2,944,401)	(3,124,526)
Net incoming/ (outgoing) funds		62,195	1,252,617	1,314,812	(213,277)
Exchange loss on convertible loans	10	-	(38,156)	(38,156)	(93,403)
Net movement in funds		62,195	1,214,461	1,276,656	(306,680)
Funds brought forward		2,776,836	3,759,449	6,536,285	6,842,965
Funds carried forward	16	2,839,031	4,973,910	7,812,941	6,536,285



Charity Balance Sheet
Year ended 31 December 2022
Company number 05322719

	Note	As at 31 December 2022 £	As at 31 December 2021 £
Fixed assets			
Tangible fixed assets	9	5,499	5,688
Current assets			
Debtors	11	293,693	446,358
Cash and cash equivalents	12	5,247,176	4,912,850
		5,540,869	5,359,208
Liabilities: amounts falling due within one year	13	(989,526)	(705,021)
Net current assets		4,551,343	4,654,187
Net assets	15	4,556,842	4,659,875
Funds			
Unrestricted funds	19	2,334,555	2,301,315
Restricted funds – funds in surplus	22	2,295,467	2,358,560
– funds in deficit	22	(73,180)	-
		4,556,842	4,659,875

The notes on pages 35 to 53 form part of these financial statements.

These financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within the Companies Act 2006, Pt. 15, were approved and authorised for issue by the Board of Trustees on 13 June 2023.

Signed on behalf of the Board of Trustees by the Chairman.

Clifford Hampton



Consolidated Balance Sheet
Year ended 31 December 2022
Company number 05322719

	Note	As at 31 December 2022 £	As at 31 December 2021 £
Fixed assets			
Tangible fixed assets	9	5,499	5,688
Programme investments	10	910,053	2,615,350
		<u>915,552</u>	<u>2,621,038</u>
Current assets			
Debtors	11	304,143	446,358
Cash and cash equivalents	12	5,247,176	4,912,850
		<u>5,551,319</u>	<u>5,359,209</u>
Liabilities: amounts falling due within one year	14	<u>(112,762)</u>	<u>(167,305)</u>
Net current assets		<u>5,438,557</u>	<u>5,191,904</u>
Net assets	16	<u>6,354,109</u>	<u>7,812,941</u>
Funds			
Unrestricted funds	19	3,221,769	2,839,031
Restricted funds – Subsidiary and investments	22	910,053	2,615,350
– Charity restricted funds in surplus	22	2,295,467	2,358,560
– Charity restricted funds in deficit	22	(73,180)	-
		<u>6,354,109</u>	<u>7,812,941</u>

The notes on pages 35 to 53 form part of these financial statements.

These financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within the Companies Act 2006, Pt. 15, were approved and authorised for issue by the Board of Trustees on 13 June 2023.

Signed on behalf of the Board of Trustees by the Chairman.

Clifford Hampton



**Opportunity International United Kingdom
Consolidated Statement of Cash flows
As at 31 December 2022**

Year ended 31 December 2022

Cash flows from operating activities: (£)	OIUK Unrestricted funds	OMIL Unrestricted	Group Restricted Funds	Total funds year ended 31 December 2022
Net movement in funds	33,240	(2,543)	(1,489,529)	(1,458,832)
Adjustments for: Depreciation charge	3,753	-	-	3,753
Loss on disposal of investments	-	-	132,933	132,933
Investment in convertible loans	-	-	930,768	930,768
(Increase)/decrease in debtors	152,665	(10,450)	-	142,215
Increase/(decrease) in creditors	(54,543)	-	-	(54,543)
Interest and gifts in kind income	(264,621)	-	-	(264,621)
Cash flows generated from operating activities	(129,506)	(12,993)	(425,828)	(568,327)
Purchase of fixed assets and loss on disposal	(3,564)	-	-	(3,564)
Proceeds from the sale of investments	-	352,041	-	352,041
Interest and gifts in kind income	264,621	-	-	264,621
Cash flows generated from investing activities	261,057	352,041	-	613,098
Exchange rate movements	-	-	289,555	289,555
Net increase/(decrease) in cash	131,551	339,048	(136,273)	334,326
Cash and cash equivalents in the beginning of the year	2,011,773	542,516	2,358,561	4,912,850
Cash and cash equivalents at the end of the year	2,143,324	881,564	2,222,287	5,247,176



**Opportunity International United Kingdom
Consolidated Statement of Cash flows
As at 31 December 2022**

Year ended 31 December 2021	OIUK Unrestricted	OMIL Unrestricted	Group Restricted Funds	Total funds year ended 31 December 2021
Cash flows from operating activities: (£)				
Net movement in funds	66,955	(4,760)	1,214,461	1,276,656
Adjustments for: Depreciation charge	8,284	-	-	8,284
Investment in convertible loans			(455,918)	(455,918)
(Increase)/decrease in debtors	125,745	-	-	125,745
Increase/(decrease) in creditors	(39,054)	3,800	-	(35,254)
Interest and gifts in kind income	(103,652)	-	-	(103,652)
Cash flows generated from operating activities	58,278	(960)	758,543	815,861
Purchase of fixed assets	(3,459)	-	-	(3,459)
Interest and gifts in kind income	103,652	-	-	103,652
Cash flows generated from investing activities	100,193	-	-	100,193
Exchange rate movements	-	-	38,156	38,156
Net increase/(decrease) in cash	158,471	(960)	796,699	954,210
Cash and cash equivalents in the beginning of the year	1,853,302	543,476	1,561,862	3,958,640
Cash and cash equivalents at the end of the year	2,011,773	542,516	2,358,561	4,912,850



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2020) (Charities SORP FRS102) and the Companies Act 2006. The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Basis of consolidation and departure from accounting standards

Consolidated accounts have been prepared in accordance with the Scottish Charities Regulation 6, requiring consolidation where consolidated gross income, after consolidated adjustments, is greater than £500,000.

The financial statements are prepared under the historical cost convention.

The Group financial statements consolidate the financial statements of Opportunity International and Group (the "Group") comprising the Charity, its 100% owned subsidiary Opportunity Microfinance Investments Limited (OMIL) and OMIL's investment in Opportunity International Savings and Loans Limited (OI-SL) in which it currently holds a 27% investment shareholding. OMIL was gifted 5% shares in OBUL during the past two years by its OIUS Support Member.

The accounts are prepared in GBP sterling and are rounded to the nearest whole pound.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the group and the charity will continue in existence for the foreseeable future. The Trustees are satisfied that the Group and Charity have sufficient reserves to meet liabilities as they fall due and that there are no material uncertainties in relation to going concern.

Income and expenditure statements

Income and expenditure statements are not presented because the Charity Statement of Financial Activities and Consolidated Statement of Financial Activities are considered to represent the activity of the Charity and the Group.

Foreign currency translation

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the dates when the transactions occur, except for:

- I. monetary assets and liabilities which are translated at the rate ruling at the balance sheet date other than those in (ii) below; and
- II. transactions to be settled at a contracted rate and trading transactions covered by a related or matching forward contract which are translated at those contracted rates.

Differences arising on the translation of such items are dealt with in the Charity and Consolidated Statements of Financial Activities.



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

1. Accounting policies (continued)

Income

Voluntary income including grants, legacies, private donations match funding institutional projects and donations are recognised where there is entitlement, certainty of receipt and the amount is measurable. Such income is only deferred when:

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

Investment income is recognised on a receivable basis and other income includes the furlough grant payments that the government offered.

Expenditure

Expenditure shown in the accounts includes accruals for goods and services rendered up to the financial year-end.

Costs of generating funds mainly comprises the cost of promotional material, leaflets and inserts together with the appropriate employee costs of the staff involved in fundraising. It also includes public relations, advertising, website development, events and travel for fundraising purposes.

Charitable activities of the Charity consist of grants made to OMIL for the purpose of investing in, and making convertible loans to, implementing partners and funds sent directly Implementing partners for use in the provision of microfinance services. A proportion of support costs of the Group are also included. The grants made to OMIL are eliminated on consolidation.

Governance costs include those costs incurred for the purpose of 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 cost categories based on the use of these resources such as staff numbers and time spent.

Operating leases

Rentals payable under an operating lease are charged against income on a straight-line basis over the period of the lease.

Pension cost

Contributions are paid into the personal pension schemes of employees and are charged to the income statement unrestricted funds as incurred. The type of pension scheme is defined contribution stakeholder personal pensions.

Taxation

Opportunity International is a charitable organisation with exemption from UK taxation on its charitable activity under section 505 of the Income and Corporation Taxes Act 1988.



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

1. Accounting policies (continued)

Donated services

The value of services provided by volunteers is not incorporated into these financial statements.

Programme investments

All investments are stated at cost less provision for impairment. Investments are made in the to Implementing partners in order to achieve Opportunity International's charitable objects rather than with the aim of generating income or the best investment return. Implementing partners are locally established organisations, providing loans, insurance and savings products for poor entrepreneurs, and undertaking all expansion projects funded by Opportunity International.

An investment is considered to be impaired if its ability to assist in the delivery of Opportunity International's charitable objects is diminished. Given the countries in which Opportunity International operates and the nature of its charitable purposes, valuation of assets is subject to significant variation.

Significant impairments have been made to programme related investments and convertible loans in the previous years to ensure that programme investments are valued in line with the expected proceeds from the sale of investments. The programme investments continue to fulfil the charitable objects of the charity.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation, with depreciation calculated on a straight-line basis over the lives described below.

Asset	Estimated useful economic life
Computer equipment	Three years
Furniture & fittings	Three years
Equipment	Three years

Assets costing less than £100 are not capitalised. Assets purchased using grant funding are fully written off in the year of purchase.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less at acquisition.

Liabilities

These are the obligations of the Charity and Group arising from past transactions or events, the settlement of which may result in the transfer or use of assets, provision of services or other yielding of economic benefits in the future.

Unrestricted funds

All income which does not have a restricted use as set out by the donor and income from investments are accounted for as unrestricted funds.



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

1. Accounting policies (continued)

Restricted funds

All income which has a restricted use as set out by the donor is separately accounted for as restricted funds.

Accounting estimates and judgements

In applying the accounting policies, the Trustees have made critical accounting judgements, estimates and assumptions about the carrying amount of the assets and liabilities. These estimates and assumptions are based on historical experience and are reviewed on a continual basis.

The critical accounting judgements, estimates and assumptions that have a material effect on the amounts recognised in the financial statements for both the current and next financial years are discussed below.

❖ **Judgements**

All debtors are reviewed to determine if a bad debt provision is required for each balance.

Impairment testing is carried out for all assets and investments at the year-end date where there is an indication that impairment exists. For the purposes of impairment testing, the carrying amounts of the assets are reviewed and an impairment loss is recognised where the carrying amounts exceed the asset's recoverable amount.

❖ **Estimates**

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in the Statement of Financial Activities.

Legacy income is accrued where there is entitlement and it is measurable and probable.

An accrual for dilapidations has been provided for the building that the charity rents, as it is a listed building and the Charity is liable for the upkeep, both internally and externally.



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

2. Voluntary income of the Charity and Group

The sources of the grants and donations received during the year were as follows:

	Unrestricted funds	Restricted funds	Total funds year ended 31 December 2022	Total funds year ended 31 December 2021
	£	£	£	£
UK FCDO Aid V Increasing the economic empowerment of women in Ghana & DRC	-	68,115	68,115	1,470,491
Scottish Government strengthening livelihoods in rural Rwanda	-	150,000	150,000	300,000
Swiss Capacity Building Facility- SCBF	-	56,667	56,667	55,498
Grants from other government sources	-	584,534	584,534	440,585
Grants from trusts, foundations and non-governmental sources.	-	428,450	428,450	549,167
Donations	481,050	116,875	597,925	879,929
Legacies	489,254	-	489,254	459,891
Total voluntary income	970,304	1,404,641	2,374,945	4,155,561

A more detailed breakdown of restricted funds is shown in note 22.

3. Investment and other income

Investment income consists solely of interest from bank and deposit accounts. Other income includes £249,000 gifts in kind, public information and education, through mass media.



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

4. Analysis of expenditure

	Cost of generating funds (unrestricted)	Charitable activities	Governance costs (unrestricted)	Total funds year ended 31 December 2022	Total funds year ended 31 December 2021
	£	£	£	£	£
Trustees' expenses (note 18) (unrestricted)	-	-	1,463	1,463	1,875
Audit fees (unrestricted)	-	-	15,600	15,600	12,462
Support costs	72,641	215,772	-	288,413	276,226
Total support costs	72,641	215,772	17,063	305,476	290,563
Costs of generating future income (unrestricted)	398,937	-	-	398,937	352,311
Direct charitable activities	-	2,038,186	-	2,038,186	2,752,686
Charity total expenditure	471,578	2,253,958	17,063	2,742,599	3,395,560
OIUK funds invested by OMIL in equity and convertible loans (restricted)	-	-	-	-	(455,919)
OMIL direct charitable activities	-	933,311	-	933,311	4,760
Group total expenditure	471,578	3,187,269	17,063	3,675,910	2,944,401

Governance costs are part of the charitable activities in note 5.



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

5. Charitable activities

	Charity Unrestricted funds	Charity Restricted funds	Charity total year ended 31 December 2022	Charity total year ended 31 December 2021	Group total year ended 31 December 2022	Group total year ended 31 December 2021
	£	£	£	£	£	£
Africa						
Democratic Republic of Congo – VFDRC	-	-	-	505,691	297,048	442,433
Ghana – OISL & SASL/SAT	49,497	104,465	153,962	1,105,352	787,682	782,691
Uganda - OBUL	434,974	918,026	1,353,000	653,899	1,353,000	583,899
Malawi	193,177	407,706	600,883	179,794	600,883	179,794
Tanzania-VisionFund	-	-	-	91,950	-	91,950
Rwanda – Urwego	37,249	78,615	115,863	407,486	115,863	407,486
Regional Africa	229	484	713	888	3,256	5,648
Total for Africa	715,126	1,509,296	2,224,421	2,945,061	3,157,732	2,493,902
Asia						
Pakistan	14,981	31,618	46,600	36,121	46,600	36,121
Total for Asia	14,981	31,618	46,600	36,121	46,600	36,121
Total	730,107	1,540,914	2,271,021	2,981,182	3,204,332	2,530,023



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

6. Net incoming funds of the Charity

The net incoming funds are stated after charging:

	Charity for the Year ended 31 December 2022 £	Charity for the Year ended 31 December 2021 £
Depreciation of tangible fixed assets	3,753	8,284
Auditor remuneration for audit services	15,600	12,462
Operating lease rentals		
- Land and Buildings	18,362	18,362
- Other equipment	360	360

Net incoming funds of the Group

The net incoming funds are stated after charging:

	Group for the Year ended 31 December 2022 £	Group for the Year ended 31 December 2021 £
Depreciation of tangible fixed assets	3,753	8,284
Auditor remuneration for audit services	20,400	17,262
Operating lease rentals		
- Land and Buildings	18,362	18,362
- Other equipment	360	360



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

7. Taxation

Any excess of income over expenditure for Opportunity International and OMIL is exempt from taxation.

8. Staff costs

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Salaries	547,756	616,319
Social security costs	69,186	63,090
Pension contributions	77,382	108,707
	<hr/>	<hr/>
Charity staff costs	694,324	788,116
	<hr/> <hr/>	<hr/> <hr/>

The Charity provides a defined contribution money purchase pension scheme, the assets of which are held separately from those of the Charity in an independently administered fund.

The total costs of the senior leadership team were £288,792 (2021: £317,026).

The number of employees whose total emoluments were in excess of £60,000 are as follows:

	Year ended 31 December 2022 Number	Year ended 31 December 2021 Number
£60,000 to £70,000	3	-
£110,000 to £120,000	-	1
	<hr/>	<hr/>

Average number of employees

	Year ended 31 December 2022 Number	Year ended 31 December 2021 Number
Senior management team	4	5
Finance and administration	1	1
Fundraising staff	4	5
Programme/project staff	5	6
	<hr/>	<hr/>
Charity staff costs	14	17
	<hr/> <hr/>	<hr/> <hr/>



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

9. Fixed assets of the Charity and Group

	Computer equipment £	Furniture & fittings £	Equipmen t £	Total £
Cost				
As at 1 January 2022	15,710	11,361	1,670	28,741
Additions	3,983	-	-	3,983
Disposals	(3,118)	-	-	(3,118)
As at 31 December 2022	<u>16,575</u>	<u>11,361</u>	<u>1,670</u>	<u>29,606</u>
Accumulated depreciation				
As at 1 January 2022	11,556	9,827	1,670	23,053
Charge for the year	2,219	1,534	-	3,753
Depreciation charge on disposals	(2,699)	-	-	(2,699)
As at 31 December 2022	<u>11,076</u>	<u>11,361</u>	<u>1,670</u>	<u>24,107</u>
Net book value				
As at 31 December 2022	5,499	-	-	5,499
As at 31 December 2021	<u>4,154</u>	<u>1,533</u>	<u>-</u>	5,688



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

10. Programme Investments of the Group

	Investments- equity shares	Investments- convertible loans	Total
	£	£	£
As at 1 January 2022	818,245	1,797,105	2,615,350
Sale of 17.5% shares in OISL	(484,974)	-	(484,974)
Conversion to grant	-	(930,768)	(930,768)
Exchange difference	-	(289,555)	(289,555)
	<hr/>	<hr/>	<hr/>
As at 31 December 2022	<u>333,271</u>	<u>576,782</u>	<u>910,053</u>

During the year OMIL sold 17.5% of its shares in OISL, the proceeds from the sale were transferred to unrestricted funds as a reasonable time has elapsed since the investment in equity.

The trustees have reviewed for impairment during the year to ensure that the valuation of investments at 31 December 2022 is in line with the expected proceeds from the eventual sale of investments.

Subsidiary	Share holding	Class of shares held	Activity	Net assets £	Surplus/ (deficit) for the year £
OMIL – Opportunity Microfinance Investments Limited	100%	-	Microfinance	2,282,241	(870,825)
Programme investments:					
Opportunity International Savings and Loans Limited (OISL) (Ghana)	9.5%	Ordinary shares of no par value	Microfinance	5,671,862	437,002
Opportunity Bank Uganda Limited (OBUL)	5%	Ordinary shares of Shs 200 par value	Microfinance	8,030,282	47,723

OMIL company registration number is 04627098, registered charity number is 1098392, and the registered office address is the same as OIUK.



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

11. Debtors of the Charity and Group

	As at 31 December 2022 £	As at 31 December 2021 £
Amounts falling due in less than one year:		
Income tax recoverable	8,243	3,562
Prepayments	8,459	8,758
Other debtors	110,840	94,038
Accrued income	54,151	110,000
SAT Loan	112,000	-
Charity debtors	293,693	216,358
Accrued income from sale of OISL	10,450	-
Group debtors	304,143	216,358
Amounts falling due in more than one year:		
SAT Loan	-	230,000
Total debtors	304,143	446,358

Other debtors includes £105,806 (2021: £93,352) owed by Opportunity International US (OIUS), an affiliate of Opportunity Global.

SAT loan is a local currency loan, hence exchange loss of £118,000 was written off this year.

12. Cash and cash equivalents: of the Charity and Group

	As at 31 December 2022 £	As at 31 December 2021 £
Deposit accounts of 90 days or more	1,894,474	1,892,317
Instant access deposit accounts	3,098,031	986,890
Current accounts	254,213	2,033,442
Cash in hand	458	201
Cash and cash equivalents	5,247,176	4,912,850

The deposits over 90 days can be accessed instantly but with forfeit of interest.



13. Liabilities of the Charity: amounts falling due within one year

	Charity as at 31 December 2022 £	Charity as at 31 December 2021 £
Taxation and social security	18,474	16,360
Accruals and deferred income	43,200	46,600
Other creditors	46,288	99,545
Amounts due to subsidiary	881,564	542,516
	<u>989,526</u>	<u>705,021</u>

Amounts due to subsidiary are unsecured, interest free and repayable on demand.

14. Liabilities of the group: amounts falling due within one year

	Group as at 31 December 2022 £	Group as at 31 December 2021 £
Taxation and social security	18,474	16,360
Accruals	48,000	51,400
Other creditors	46,288	99,545
	<u>112,762</u>	<u>167,305</u>



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

15. Analysis of net assets of the Charity between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	5,499	-	5,499
Net current assets	<u>1,529,056</u>	<u>2,222,287</u>	<u>4,551,343</u>
	<u>1,534,555</u>	<u>2,222,287</u>	<u>4,556,842</u>

Funds are received from a number of donors with each donation generally relating to a specific project. Donations received are distributed by Opportunity International UK to our Implementing partners. These organisations are responsible for the project. Consequently, no analysis of movements on the individual underlying funds has been provided.

Comparative: year ended 31 December 2021

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	5,688	-	5,688
Net current assets	<u>2,295,627</u>	<u>2,358,560</u>	<u>4,654,187</u>
	<u>2,301,315</u>	<u>2,358,560</u>	<u>4,659,875</u>



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

16. Analysis of net assets of the Group between funds

Fund balances as at 31 December 2022 are represented by:

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	5,499	-	5,499
Programme Investments	-	910,053	910,053
Net current assets	2,416,270	2,222,287	5,438,557
	<u>2,421,769</u>	<u>3,132,340</u>	<u>6,354,109</u>

Comparative: year ended 31 December 2021

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	5,688	-	5,688
Programme Investments	-	2,615,350	2,615,350
Net current assets	2,833,343	2,358,560	5,191,903
	<u>2,839,031</u>	<u>4,973,910</u>	<u>7,812,941</u>

17. Commitments

At 31 December 2022, the Charity and Group had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Within 1 to 5 years	91,810	91,810	360	360
5+ years	73,448	91,810	-	-
	<u>165,258</u>	<u>183,620</u>	<u>360</u>	<u>360</u>



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

18. Trustees' remuneration and donations

No trustees received remuneration or reimbursement of expenses (2021: nil). Trustees donated £17,325 (2021: £5,725) to OIUK during the year.

No other trustee or any connected person received any remuneration from the Charity, during the year ended 2022, other than the board meeting costs for all trustees. Annual cost of the trustee indemnity insurance is £1,509.

19. Unrestricted funds for the Charity and Group

	Brought forward as at 1 January 2022	Income in the year	Expenditure in the year	Transfer of funds	Carried forward as at 31 December 2022
	£	£	£	£	£
Unrestricted funds	2,301,315	1,234,925	(1,201,685)	-	2,334,555
Charity reserves	2,301,315	1,234,925	(1,201,685)	-	2,334,555
OMIL unrestricted reserves	537,716	-	(2,543)	352,041	887,214
Group reserves	2,839,031	1,234,925	(1,204,228)	352,041	3,221,769



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

Comparative: year ended 31 December 2021

	Brought forward as at 1 January 2021	Income in the year	Expenditure in the year	Carried forward as at 31 December 2021
	£	£	£	£
Unrestricted funds	2,234,360	1,086,943	(1,019,988)	2,301,315
Charity reserves	2,234,360	1,086,943	(1,019,988)	2,301,315
OMIL unrestricted reserves	542,476	-	(4,760)	537,716
Group reserves	2,776,836	1,086,943	(1,024,748)	2,839,031

20. Related party transactions

In 2022 OIUK transferred to OMIL £nil (2021: £455,919). Opportunity International US is an affiliate of Opportunity Global that is not a related party as defined in FRS102.

One of the trustees, Mr James Copestake, is also a Director of Bath Social and Development Research (Bath SDR), which is a social enterprise specialised in evaluation work, and which has been engaged by OIUK to conduct an evaluation in Malawi.

21. Ultimate control

The trustees are considered the ultimate controlling party of the Group.

22. Analysis of restricted funds of the Charity and Group

Restricted funds are funds subject to use for a specific purpose, which may be declared by the donor(s) or with their authority (e.g. in a public appeal) or created through a legal process, but still within the wider objectives of the Charity. The resources of these funds are appropriate for the intended purpose of each fund. All the costs of the subsidiary are restricted except for the governance costs of OMIL.

The restricted funds in deficit at the Balance Sheet date are in this position due to a shortfall on matched funding obtained up to the December 2022. These will be brought into equilibrium after 31 December 2022 either by sourcing additional matched funding or, if that is not possible, covered via a transfer from unrestricted funds.



22. Analysis of restricted funds of the Charity and Group (continued)

	Brought forward as at 1 January 2022	Income for the year £	Expenditure in the year £	Carried forward as at 31 December 2022
Scottish Government Strengthening livelihoods in rural Rwanda.	33,367	150,000	(94,321)	89,046
Argidius addressing the key constraints preventing the growth of SMEs in Uganda.	127,854	191,223	(178,116)	140,961
National Lottery Community Fund – mainstreaming financial inclusion for persons with disabilities in Uganda.	94,403	131,661	(238,137)	(12,073)
JOA – strengthening systems for financial inclusion in rural Malawi.	297,315	444,398	(370,095)	371,618
SCBF for Rwanda and Youth project.	44,490	72,891	(24,357)	93,024
Private restricted donations	1,545,662	117,448	(145,957)	1,517,153
Private funded Refugees project in Uganda	60,699	38,185	(159,991)	(61,107)
Private funded Education in Pakistan	63,080	-	(21,458)	41,622
FCDO UK Aid V- increasing the economic empowerment of women in Ghana & DRC.	91,690	68,115	(159,805)	-
DANIDA grain hubs agriculture project in Uganda	-	150,636	(148,677)	1,959
Medicor Kayayei in Ghana (private match funds)	-	40,084	-	40,084
Total restricted funds for the Charity	2,358,560	1,404,641	(1,540,914)	2,222,287
Subsidiary's restricted funds.	2,615,350	-	(1,705,297)	910,053
Total restricted funds for the Group	4,973,910	1,404,641	(3,246,211)	3,132,340

Abbreviations used above: JOA – Jersey Overseas Aid; SCBF – Swiss Capacity Building Facility. Some funds are overdrawn due to the timing of receipt from donors.



Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022

22. Analysis of restricted funds of the Charity and Group
(continued)

Comparative: year ended 31 December 2021

	Brought forward 1 January 2021	Income for the year £	Expenditure in the year £	Carried forward 31 December 2021
Scottish Government				
Strengthening livelihoods in rural Rwanda.	14,360	300,000	(280,993)	33,367
Argidius addressing the key constraints preventing the growth of SMEs in Uganda.	-	132,543	(4,689)	127,854
National Lottery Community Fund – mainstreaming financial inclusion for persons with disabilities in Uganda.	10,886	138,357	(54,840)	94,403
JOA – strengthening systems for financial inclusion in rural Malawi.	-	440,585	(143,270)	297,315
SCBF for Rwanda and Youth project.	21,998	320,597	(298,105)	44,490
Private restricted donations	1,674,993	113,319	(242,650)	1,545,662
Private funded Refugees project in Uganda	459	193,297	(133,057)	60,699
Private funded Education in Pakistan	-	63,080	-	63,080
Restricted funds in surplus	1,722,696	1,701,778	(1,157,604)	2,266,870
FCDO UK Aid V- increasing the economic empowerment of women in Ghana & DRC.	(160,834)	1,470,492	(1,217,968)	91,690
Total restricted funds for the Charity	1,561,862	3,172,270	(2,375,572)	2,358,560
Subsidiary's restricted funds.	2,197,587	-	417,763	2,615,350
Total restricted funds for the Group	3,759,449	3,172,270	(1,957,809)	4,973,910



**Opportunity International United Kingdom
Notes to the financial statements
Year ended 31 December 2022**

Glossary

AgFin	Agricultural Finance
AgTAF	Agricultural Technical Assistance Facility
CFYE	Challenge Fund for Youth Employment
Danida	Danish Development Aid
DFS	Digital Financial Services
DMDP	Danida Market Development Partnership
EdFin	Education Finance
Ed Q	Education Quality
ETAF	Education Technical Assistance Facility
FCDO	Foreign and Commonwealth and Development Office
FSA	Farmer Support Agent
FSP	Financial Service Provider
GOA	Guernsey Overseas Aid
JOA	Jersey Overseas Aid
OBUL	Opportunity Bank of Uganda Limited (Uganda)
OIA	Opportunity International Australia
OICA	Opportunity International Canada
OID	Opportunity International Germany
OISL	Opportunity International Savings Limited (Ghana)
OIUK	Opportunity International United Kingdom
OIUS	Opportunity International United States
OMIL	Opportunity Microfinance Investments Limited (OIUK subsidiary)
PWD	People with Disabilities
RISE	Refugee Innovation, Self-Reliance and Empowerment
RISE T	Refugee Innovation, Self-Reliance and Empowerment – Transition
SASL	Sinapi Aba Savings and Loans Limited (Ghana)
SAT	Sinapi Aba Trust (Ghana)
SCBF	Swiss Capacity Building Facility
SG	Scottish Government
SHF	Small Holder Farmer
SME	Small and Medium-sized Enterprises
VFDRD	Vision Fund DRC.
VSLA	Village Savings and Loans
WASH	Water Sanitation and Hygiene
YFFS	Youth Farmer Field Schools