

NORTHWOOD AFRICAN EDUCATION FOUNDATION

REPORT AND ACCOUNTS

FOR THE PERIOD ENDED

31 AUGUST 2018

NORTHWOOD AFRICAN EDUCATION FOUNDATION

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Trustees Annual Report for the Financial Year 01.09.17 to 31.08.18

Reference and administration details

The charity registration number is 1153346 and the principal office of the charity is:
29b Sudbrooke Road, London, SW12 8TQ

The Trustees are:

Sir Malcolm Colquhoun of Luss (Chair)
Lady (Katharine) Colquhoun of Luss
Mrs Wendy Bailey
Mr Michael Brook (appointed 23 January 2019)
Miss Georgina Colquhoun
Mr Rupert Fane
Mrs Alexandra Henderson
Mr Nicholas Wilcock

Mrs Justine Alderwick retired as a Trustee on 9 May 2018. All of the other Trustees served throughout the period.

Structure, Governance and Management

Type of governing document: constitution

How the charity is constituted: charitable incorporated organisation

Trustees selection methods: appointed by Board of Trustees

Northwood African Education Foundation (NAEF) was registered with the Charity Commission on 12 August 2013. In 2014 St. George's School, a Non-Governmental Organisation (NGO) was established in Ethiopia, which is operating as the Ethiopian branch of NAEF. The NGO has its own bank account and runs its affairs locally. Since November 2014 NAEF has provided monthly grants to St. George's School to fund the education programme. The financial accounts for St. George's School have been audited in Ethiopia under the rules and regulations issued by the Ministry of Finance and Economic Development in Ethiopia.

The development of the school remains under the direction and funding of NAEF which provides grants and oversight of the build programmes.

Objectives and Activities

The charity's aims and objectives are to build, and entirely finance the running of a school in Ethiopia, for orphans and severely disadvantaged children. There are no changes to the charity's main objectives in the period under review.

Summary of the main activities undertaken for public benefit in relation to these objectives:

St. George's School opened in Azezo, near Gondar in the Amhara region in northern Ethiopia in March 2014 and, at 1st June 2019, has 351 children enrolled, receiving a completely free education. Our child sponsorship programme continues to flourish and all the children at St. George's are funded under that programme. The oldest children are now in their fifth year at school. All the children come from extremely disadvantaged family circumstances and would not otherwise be in school. In addition to their education, we ensure that they are well fed daily in school and receive medical assistance when required. In addition to child sponsorship, additional funds are raised from generous donors and trusts and are ring-fenced for specific projects and programmes.

Towards the end of the last financial year (2016/17) NAEF began the construction of a further four classrooms, which were completed during the financial year under review, in May 2018. At the end

of 2018 we began construction of a further two classrooms and an office, as well as additional water storage. The building projects are executed under fair tender and compliant with all relevant Ethiopian laws and regulations. Local labour is used, creating opportunity in the community and income to some of our families at the school. We have also improved the playground area and security. A local project manager is working closely with our UK architect to ensure the work is finished to a high standard and that the school buildings are sustainable. We aim to complete the primary school building project, comprising a further two classrooms, science centre, multi purpose hall for dining and sports, administrative and educational support area and girls' facilities, by end 2020, subject to funds being available.

Achievements and Performance

Academic

We are proud to be offering superlative education and a clean, bright safe school environment, with class sizes of around 25, six hours of teaching per day and all teachers (who are all Ethiopian) educated to degree level. This year teaching using technology has become embedded into the school timetable and has had a noticeable impact on the children's literacy and numeracy. Overall St. George's School achieved exceptional results demonstrating very good progress year on year. The average grade in all years across all subjects – the Amharic language, English, maths, environmental science and aesthetics (art, music and sport) - was over 90 per cent for the first time, increasing from 89.7 per cent in 2017 to 92.1 per cent in 2018. These results are around four times better than the national average in Ethiopia.

Attendance was exceptional given that nationally the attendance at primary school runs at around 65 per cent and at secondary just 16 per cent. At St. George's, attendance is closely monitored throughout the whole year and reasons for absence carefully explored. Attendance at St. George's is over 96% and encouragingly girls' attendance (traditionally lower than that of boys) over the 12 months is slightly higher than that of boys. For the 2017-2018 academic year, girls' attendance was 96.8 per cent and boys 96.7 per cent.

Community

As part of our aim is to have a sustainable presence in the local community we are becoming a powerful force for good within Azezo. St. George's has created almost 50 skilled and unskilled jobs for local people and supports some 600 more jobs in the supply chain. Increasing numbers of parents are employed by the school as groundskeepers, in the kitchen and in security positions. Community projects include a trained nurse on site, who is consulted by the community and we are seeking to encourage early childhood intervention through a new nursery group, which has given us access to children under the age of five (and most of these children are classed as vulnerable). We have been running a successful teff farming project for the last four years, offering parcels of land to local farmers. They donate 50% of their yield to St. George's, which helps feed our children and staff and sell the rest for profit.

Pupils are also encouraged to read to their families and English lessons are offered to parents and siblings.

Health and wellbeing

In an area where half of the local children are so malnourished their growth is stunted, St. George's provides two nutritious meals a day to pupils and regular health checks. We monitor height and weight and intervene with additional nutrition if any child is losing weight. We have pioneered a new summer nourishment programme, with supplies provided to children and their families twice during the long break. This has resulted in a reduction of the dramatic weight loss we previously observed

in children during the holidays. We are also working with the Ethiopian government to implement HIV testing.

This year we have redoubled our efforts to empower girls to remain in education. In Ethiopia many girls continue to be removed from school aged eight to ten to work in manual jobs, while others traditionally drop out when menstruation begins. We are now conducting weekly sessions with girls to discuss their rights as young women, self-defence, bodies, puberty and hygiene.

Farming

We have been running a successful farming project for the last four years, offering parcels of land on our site to local farmers free of charge. They donate 50 per cent of their crop yield back to St. George's, which helps feed our children and staff, and keep the rest to sell for profit.

Capital projects

As noted previously, in the past three years we have successfully completed the first two phases of the St. George's School building project providing 10 classrooms, kitchen, dining hall, laundry, bathroom and outdoor facilities for 250 pupils, and, as noted above, in the first quarter of 2018 we added four further classrooms.

Fundraising

We are extremely grateful for all the support shown by our corporate donors, trusts and individual donors and to the families and individuals who sponsor the children at St. George's.

Our child sponsorship programme continues to thrive with 222 families sponsoring 303 pupils as at 31 December 2018. Through the sponsorship programme we are able to ensure that pupils receive essentials they would otherwise have to pay for, including two sets of uniform, shoes, exercise books, two nutritious daily meals, regular health checks and it also contributes to the operational costs of running the school.

We also greatly appreciate the results of the fundraising activities which took place throughout the 2017-18 financial year, providing total incoming funds of £82,682. Fundraising events included having a sponsored runner in the Virgin London Marathon, a readathon, a lunch specifically to raise funds to support the girls' wellbeing project as well as many smaller initiatives. Our two established fundraising events, Carols by Candlelight and the Dragon Ball were again very successful.

NAEF is the nominated charity of the Broomwood Hall Ltd Parents Association. The parents have once again been a great source of support and raised this year £35,000 for the charity. In addition, the pupils of all the Northwood Schools hold small sales and carry out sponsored activities in aid of NAEF. The Trustees are very grateful for their efforts.

We have received a number of very generous donations from grant making trusts and from companies to specifically support the capital building programme and we have made significant progress toward funding the final phase of building the primary school.

Staff

St. George's School currently employs in Ethiopia 55 full-time staff, including academic, administration, catering, cleaners and security. We are committed to encouraging the continued professional development of our staff. All our teaching staff are qualified to degree level and each grade has a teaching assistant, who are all qualified to diploma level. We are extremely grateful for the dedication of Nicky Williams, Director of Education, who has been an outstanding inspiration, leading, managing and developing the school. She is supported in Ethiopia by our Director of Education, Birara Asmare.

In the UK we have a small team, of voluntary and paid professionals.

Reserves Policy

Operationally the Trustees agree that the charity does not need to hold significant reserves as operational costs are covered by child sponsorship and fundraising. Reserves are held for providing grants for building work undertaken in the construction of the school infrastructure.

Plans for the Future

With continued support, our ambition is to finish the elementary school and to start to develop St. George's to the secondary level, with the aim of 700 children aged 5 -18 by 2022. We aim to keep both boys and girls in education to 18, with a higher than average number progressing to university. We are exploring ways to support job entry and apprenticeships and looking at local partnerships. Not only is St. George's changing the lives of hundreds of children, but also the lives of their families and, in turn, the wider community.

June 2019

A handwritten signature in blue ink, appearing to read 'Richard White', with a long horizontal flourish underneath.

NORTHWOOD AFRICAN EDUCATION FOUNDATION

Registered Charity No. 1153346

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE PERIOD ENDED 31 AUGUST 2018

I report on the accounts of the Charity for the period ended 31st August 2018 which are set out on pages 5 to 9.

Respective responsibilities of trustees and examiner

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

It is my responsibility to

- Examine the accounts (under section 145 of the 2011 Act, as amended);
- To follow the procedures laid down in the General Directions given by the Charity Commission (under section 145 (5) (b) of the 2011 Act, as amended); and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would have been required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

(1) Which gives reasonable cause to believe that, in any material respect the requirements

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- To prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act.

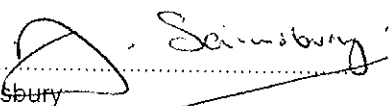
have not been met; or

(2) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: Andrew Sainsbury

Relevant professional qualification or body: FCA

Address: Treasury Accounting Limited, The Old Treasury, 7 Kings Road, Portsmouth, PO5 4DJ


A Sainsbury

Date: 28 June 2019

NORTHWOOD AFRICAN EDUCATION FOUNDATION

Registered Charity No. 1153346

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 AUGUST 2018

	Unrestricted funds	Restricted funds	Total
	£	£	£
Incoming resources			
Donations & voluntary income	145,256	275,407	420,663
Fundraising	82,682		82,682
Total incoming resources	<u>227,938</u>	<u>275,407</u>	<u>503,345</u>
Resources expended			
Costs of generating funds			
Voluntary income	2,055		2,055
Grants & other charitable expenditure		193,507	193,507
Activities for generating funds	40,136		40,136
Charitable activities	31,946	30,991	62,937
Governance costs	11,734	-	11,734
Total resources expended	<u>85,871</u>	<u>224,498</u>	<u>310,369</u>
Net incoming resources for the period	142,067	50,909	192,976
Unrestricted funds used to support restricted funds	0	0	-
Total funds carried forward	<u>142,067</u>	<u>50,909</u>	<u>192,976</u>

NORTHWOOD AFRICAN EDUCATION FOUNDATION

Registered Charity No. 1153346

BALANCE SHEET AT 31 AUGUST 2018

	Note	Unrestricted funds	Restricted funds	Total
Fixed Assets	4	1,456		1,456
Current assets				
Work in progress	5		-	-
Debtors	6	6,508	559	7,067
Cash at bank and in hand		18,460	193,854	212,314
		<u>24,968</u>	<u>194,413</u>	<u>219,381</u>
Current liabilities				
Creditors: amounts falling due within one year	7	53,704	3,562	57,266
Net current assets	-	27,280	190,851	162,115
Net Assets	-	<u>27,280</u>	<u>190,851</u>	<u>163,571</u>
Funds of the Foundation				
Funds B/fwd		296,426	192,611	489,037
Unrestricted funds		142,067	-	142,067
Restricted funds		-	50,909	50,909
Work in progress written off			-518,442	-518,442
Total funds		<u>438,493</u>	<u>-274,922</u>	<u>163,571</u>

The accounts were approved by the trustees on 7.5.19 and signed on their behalf by:


.....
Sir Malcolm Cotquhoun

Date: 28 June 2019

NORTHWOOD AFRICAN EDUCATION FOUNDATION

Registered Charity No. 1153346

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 AUGUST 2018

1. Basis of preparation

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

These accounts have been prepared in accordance with the Statement of Recommended Practice:

Accounting and Reporting by Charities preparing their accounts with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on the 16 July 2014 and with the Charities Act 2011.

2. Accounting policies

2.1 Classification of income and expenditure

The Association analyses incoming resources and resources expended on a 'natural' basis as permitted by SORP 2010.

2.2 Donations

Donations comprise of the gross value inclusive of related Gift Aid and are only included in the SOFA when the charity has unconditional entitlement to the resource.

2.3 Expenditure

All expenditure is included in the accounts on an accrual basis. Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out of resources.

2.4 Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets less their residual value over their useful lives on the following basis:

Equipment	20% Reducing balance
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3. Expenditure

3.1 Fees for examining the accounts

Independent examiners fees for reporting on the accounts	£ <u>1,200</u>
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NORTHWOOD AFRICAN EDUCATION FOUNDATION

Registered Charity No. 1153346

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 AUGUST 2018

4. Fixed Assets

Fixed assets included relate to miscellaneous equipment in the United Kingdom.
The equipment is being depreciated using the following rate:

		Equipment £
Cost		
At 01.09.2016		1598
Additions		600
At 31.08.2017		<u>2,198</u>
Depreciation		
At 01.09.2016		378
Charge in year		364
At 31.08.2017		<u>742</u>
Net Book Value	31.08.2018	<u>1,456</u>
Net Book Value	31.08.2017	<u>1,220</u>

5. Work in progress

Work in progress represented the costs of Phase 1&2 of building the primary school.
The construction project was then managed by Link Ethiopia. Now completed, the licence for those buildings has been transferred from Link Ethiopia to NAEF in June 2018. As a result, the value of the Work in Progress in these accounts has been capitalised and written off against reserves.

6. Debtors

	Unrestricted funds	Restricted funds	Total
Donations	24	-	24
Prepayments	2,191	-	2,191
Broomwood African Education Foundation	4,122	-	4,122
Other debtors	171	559	730
	<u>6,508</u>	<u>559</u>	<u>7,067</u>

7. Creditors

	Unrestricted funds	Restricted funds	Total
Expenses paid by Broomwood Hall School	50,885	2,750	53,635
Accrued liabilities	-	-	-
Other creditors	1,069	812	1,881
Social security and other taxes	550	-	550
Independent examiners' fee	1,200	-	1,200
	<u>53,704</u>	<u>3,562</u>	<u>57,266</u>

NORTHWOOD AFRICAN EDUCATION FOUNDATION

Registered Charity No. 1153346

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 AUGUST 2018

8. Key management personnel

The following represents the cost of key personnel within the charity:

		£
N Williams	Director of Education	9,733
T Ratzer	Sponsorship Manager	1,000
D Mackenzie Francis	Sponsorship Manager	10,077
L Peele	Fundraising Manager	6,457