

Lessons for life ☺

ANNUAL REPORT OF THE TRUSTEES FOR YEAR TO 5 APRIL 2013

SUMMARY

This year Lessons for Life has helped approximately 300 children in Uganda to get an education. Overall donations decreased by 5% to £32,792, though this was principally due to the one-off receipts in the previous year (especially relating to timing in reclaiming gift aid).

We have seen a 10% increase in regular contributions as the new students we have taken on in the last two years have all had dedicated sponsors and the vast majority of our supporters have proven to be very loyal. We are extremely grateful to all our donors for their continued support in enabling us to provide a better future for so many Ugandan children and families.

REVIEW OF OPERATIONS

We have started one new project this year and have continued to support all but one of existing projects (ASOD). Our sponsorship programme has continued to provide 49 children with a truly life-changing opportunity to attend secondary school. This year we have taken on 5 new students (who each have specific sponsors identified) while 6 of the sponsored children finished this year.

Royal Pride feeding programme

The new project this year is to provide some food (porridge) to Royal Pride Academy – a primary school in one of the most deprived areas of Kampala. This cost £262 this year and is covered by specific donations.

Assisted Attendance Schemes

In order to get more children into primary school, our assisted attendance schemes identify children from families and social situations who are unable to afford the payments. We pay these on their behalf directly to the school as long as the child's attendance is proven to be good. We have continued both our schemes at Railway and Police schools.

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NACWOLA Project

We continue to support 25 particularly vulnerable and disadvantaged children (identified by NACWOLA), many of whom come from 'child-headed families' (a tragic situation where after losing both parents the eldest child has to try and take care of younger siblings). Children in this situation cannot afford either fees or equipment so we pay for both.

Vocational Training

We have continued to fund vocational training for children who are unable to go to secondary school. This group is largely made of orphan girls who are particularly vulnerable.

ASOD Project

After two years of assisting with teacher salaries, we ended our support for the ASOD project this year as this was not working out quite as we had hoped. We wish everyone at ASOD success for the future.

Sponsorships

We maintained our sponsorship scheme to permit 49 children to continue to attend secondary school. As the per-child cost is much higher than for projects, we aim to finance this through sponsors who are prepared to meet the full cost for the child. We also account for this as a separate fund to give increased transparency. For several years now we have had to transfer funds from the general fund to cover a deficit – see financial review below.

This year, we have taken on 5 new students while 6 have left the scheme – 5 of these finished their courses and one got a scholarship to an international school.

This year another 20 of our students passed their S4 (equivalent to GCSE) – 10 of these have gone on to the equivalent of A levels while the other 10 have gone to vocational school. It is very satisfying to know that we are enabling these students to emerge with skills that will equip them to support themselves and make a success of their lives.

This is such a life changing opportunity that we continue to seek sponsors for children we have identified who will benefit from this scheme.

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Operations in Uganda

Our Ugandan administrator Linda Nabukeera has done a fantastic job to keep all these children in school and safe. We thank her for her hard work, unfailingly cheerful manner, and professional approach.

Fundraising

Once again the level of support we have received from our donors has been wonderful to see.

FINANCIAL REVIEW

Overall in the period we received £32,792 and spent £34,000.

We believe it is important for donors to understand and support how their donations are used. To create this clarity we have created three separate funds (sponsorship, general and admin), each with a specific purpose.

Sponsorship Fund

For the sponsorship fund we received £14,105 and spent £24,067 in the year.

In 2009 we took on significantly more students than we have been able to find sponsors for. As mentioned above, this year these students finished the equivalent of O level and we took the decision to support all these students to continue to study for the equivalent of A levels or a vocational course. This contributed significantly to the shortfall on the sponsorship fund which has been met by a £10,000 transfer from the general fund leaving a negative balance on the sponsorship fund of £4,798 which roughly equates to the timing differences (principally relating to gift aid repayments).

We have seen another significant hike in school fees this year – approximately 19% in Ugandan shillings, while the exchange rate has remained firm (resulting in a 19% increase in £ terms). Some of the increase results from many students taking exams (which has an additional cost), but we have taken several measures to keep costs down, including negotiating a free place at the school we send most of the children to and putting pressure on guardians (or the community) to make contributions to the costs.

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Average annual school fees

	UGS'000	FX rate	£
2009	970	3,019	321
2010	1,091	3,235	337
2011	1,216	3,390	359
2012	1,534	3,823	401
2013	1,821	3,820	477
Increase	19%	0%	19%

General Fund

We received £16,487 into the general fund and we spent £7,949. The following table shows our spending on projects since we started:

Project costs	2013	2012	2011	2010	2009	2008
Vocational training	1,180	1,173	1,807	1,329	1,016	1779
Railway assisted attendance	3,129	1,710	4,026	2,621	3,171	
Police assisted attendance	2,290	1,269	2,653	1,719	2,051	
Busoco		-	-	2,444	2,964	
Nacwola	1,087	1,008	1,016	1,195		
ASOD		765	1,807			
Royal Pride	262					
	7,949	5,926	11,308	9,308	9,202	1779

Admin Fund

The admin fund is the only fund used for fundraising, support, or admin costs. These costs are covered by specific pledges where the donors have given agreement for donations to be used in this manner.

Apart from the Ugandan administrator all volunteers and Trustees are unpaid and pay their own overseas travel and living costs.

This year we continued to keep costs low at just £1,984 (approximately 6% of total income).

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Admin fund costs	2013	2012	2011	2010	2009	2008
VSO volunteer / local administrator	1,513	1,269	2,172	2,064	2,765	332
Office rent	294	258				
Bank charges	131	138	137	101	160	83
Stationery	46	85			64	
Fundraising - internet sponsorship site			176			
Postage			26			
Internet (hosting/registration) - 3 years					314	
Laptop					330	
Printer					46	
Collection boxes					67	
Legal fees - charity registration in Uganda					161	
Fee for charity registration					39	
Fundraising leaflets						430
	1,984	1,750	2,510	2,165	3,946	845

Key Financial Indicators

Indicator	2013	2012	Comment
Key indicator showing the overall level of costs not directly related to education:			
Admin, fundraising and support costs as a percentage of income	6.1% (£1,984/£32,792)	5.1% (£1,750/£34,568)	
Indicators showing efficiency of the spend:			
Admin costs as a percentage of total payments	0.5% (£177/£34,001)	0.8% (£223/£28,401)	
Fundraising costs as a percentage of non admin income	0.0%	0.0%	
Support costs as a percentage of project and sponsorship costs	5.6% (£1,807/£32,016)	5.7% (£1,526/£26,651)	

Reserves

At year end the charity held a total cash balance of £13,858. We need to hold reserves to be able to make transfers to Uganda at the start of each term which are sufficient to cover a full term's costs. Our reserves are at a level that is appropriate for this.

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Foreign Exchange

We account for payments in Uganda based on the average exchange rate obtained on conversion from sterling. Lessons for Life is exposed to exchange rate fluctuation on funds held in Ugandan shillings which are revalued at the end of the year. In 2009 we opened a sterling account in Uganda to give more flexibility on timing of conversion to Ugandan shillings.

The loss of £12 in the period resulted from a 2% movement in the exchange rate on approximately £500 held in Ugandan shillings on 5 April 2013.

APPROVED BY THE TRUSTEES:

Umash Patel

Signed: 

Date: 27/1/14

Mark O'Dowd

Signed: 

Date: 27/1/14

Mike Lloyd

Signed: 

Date: 27/1/14

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Accounts for the year ending 5 April 2013

Receipts and payments basis

RECEIPTS

Donations and other similar receipts									
Regular contributions	2,200	9,157	7,661	19,018	1,500	9,645	6,078	17,223	
One off donations		4,475	3,800	8,275		2,732	4,500	7,232	
Tax reclaimed (gift aid)		2,841	2,644	5,485		5,370	4,727	10,097	
Investment income		14		14		16		16	
TOTAL RECEIPTS	2,200	16,487	14,105	32,792	1,500	17,763	15,305	34,568	
PAYMENTS									
Charitable activities									
Sponsorships			24,067	24,067			20,726	20,726	
Projects		7,949		7,949		5,926		5,926	
Total Charitable activities	-	7,949	24,067	32,016	-	5,926	20,726	26,652	
Payments for generating funds				-				-	
Support costs	1,807			1,807	1,526			1,526	
Management and administration	177			177	223			223	
TOTAL PAYMENTS	1,984	7,949	24,067	34,000	1,749	5,926	20,726	28,401	
TRANSFERS BETWEEN FUNDS		(10,000)	10,000	-		(8,000)	8,000	-	
FOREIGN EXCHANGE ADJUSTMENTS (FX)	(3)	(9)		(12)	(44)	(95)		(139)	
NET OF RECEIPTS, PAYMENTS, TRANSFERS AND FX	213	(1,471)	38	(1,220)	(293)	3,742	2,579	6,028	
Cash funds last year end	648	19,266	(4,836)	15,078	941	15,524	(7,415)	9,050	
Cash funds this year end	861	17,795	(4,798)	13,858	648	19,266	(4,836)	15,078	

Approved on behalf of trustees:

M. J. Lloyd
27/1/14
Mike Lloyd, Trustee and Treasurer

Mark O'Dowd
27/1/14
Mark O'Dowd, Trustee

U Patel
27/1/14
Umash Patel, Trustee

Notes

Lessons for life was formed by trust deed on 12 November 2005
Lessons for life was registered with the Charities Commission on 20 Dec 2006

Charity number 1117343

Neither the general or sponsorship funds may be used for fundraising, support, management, or admin costs
The sponsorship fund is used to directly support specific students through further education
The general fund is only used to support education of students
Transfers may be made from the general fund to sponsorship fund at the trustees discretion
Transfers may only be made from the sponsorship fund to the general fund with the agreement of the donor
The admin fund may be used for any valid purpose and donors know their donations may be used in this way

LESSONS FOR LIFE

Charity number 1117343

Accounts for the year ending 5 April 2013

Receipts and payments basis

THIS YEAR'S AMOUNT TO THE NEAREST £ As at 5 April 2013

LAST YEAR'S AMOUNT TO THE NEAREST £ As at 5 April 2012

STATEMENT OF ASSETS AND LIABILITIES AT YEAR END For the financial year ended on 5 April 2013

	Unrestricted Admin fund	Restricted General and Sponsorship funds	Total All Funds	Unrestricted Admin fund	Restricted General and Sponsorship funds	Total All Funds
Cash funds						
£ accounts	166	13,145	13,311	41	13,117	13,158
Ugandan shilling accounts	148	399	547	607	1,313	1,920
Total cash funds	314	13,544	13,858	648	14,430	15,078
Other assets	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
TOTAL NET ASSETS	314	13,544	13,858	648	14,430	15,078

Approved on behalf of trustees:

M. Lloyd
27/1/14
Mike Lloyd, Trustee and Treasurer

Mark O'Dowd
27/1/14
Mark O'Dowd, Trustee

U. Patel
27/1/14
Umash Patel, Trustee

Notes

Lessons for life was formed by trust deed on 12 November 2005

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Independent Examiner's Report to the Trustees of "Lessons For Life"

I report on the accounts of the Trust for the period 6 April 2012 to 5 April 2013, which are set out on pages 1 to 8.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3)(a) of the 1993 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act); 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 the 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 be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Acthave 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.



Mr Sarbjit Rana

Member of the Institute of Chartered Accountants in England & Wales

**26 Regents Drive
Woodford Green
Essex
IG8 8RZ**

31 January 2013