



ANNUAL REPORT OF THE TRUSTEES FOR YEAR TO 5 APRIL 2014

SUMMARY

This year Lessons for Life has helped approximately 300 children in Uganda to get an education. Overall donations decreased by 20% to £26,340, principally due to a reduction in one-off receipts.

We have seen a 4% increase in regular contributions as the new students we have taken on in the last three years have all had dedicated sponsors and our supporters have proven to be very loyal. We are extremely grateful to all our donors for their continued support which enables us to provide a better future for so many Ugandan children and families.

REVIEW OF OPERATIONS

Our sponsorship programme has continued to provide 48 children with a truly life-changing opportunity to attend secondary school.

We have continued to support all existing projects this year.

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.

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.

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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.

Royal Pride feeding programme

This project provides some food (porridge) to Royal Pride Academy – a primary school in one of the most deprived areas of Kampala. This cost £427 this year and is covered by specific donations.

Sponsorships

We maintained our sponsorship scheme to permit 48 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 2 new students (each with specific sponsors) while 3 left the scheme - two having finished their course and one having gained a scholarship to an international school.

This is such a life changing opportunity that we continue to seek sponsors for children we know would benefit from this scheme.

Operations in Uganda

Our wonderful 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 truly heartwarming.

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FINANCIAL REVIEW

Overall in the period we received £26,340 and spent £33,225.

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 £10,939 and spent £22,822 in the year.

In 2009 we took on many more students than we have been able to find sponsors for. This contributed significantly to the shortfall on the sponsorship fund which this year has been met by an £11,000 transfer from the general fund. This leaves a negative balance on the sponsorship fund of £5,681 which roughly equates to timing differences (largely relating to gift aid repayments).

We are proud that we have continued to support all students through to the equivalent of A levels or a vocational course, except for rare cases where their conduct has required removal from the scheme.

We have managed this despite seeing yet another increase in school fees, albeit at a reduced rate from previous years. We have continued with measures to keep costs down, including negotiating a free place at the school we use most and agreeing for guardians (or the community) to make additional contributions.

Average annual school fees

	UGS'000	£	Increase
2009	970	321	
2010	1,091	337	5%
2011	1,216	359	6%
2012	1,534	401	12%
2013	1,821	477	19%
2014	1,886	486	2%

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General Fund

We received £11,501 into the general fund and we spent £8,420. The following table shows our spending on projects since we started:

Project costs	2014	2013	2012	2011	2010	2009	2008
Vocational training	1,161	1,180	1,173	1,807	1,329	1,016	1779
Railway assisted attendance	3,018	3,129	1,710	4,026	2,621	3,171	
Police assisted attendance	2,726	2,290	1,269	2,653	1,719	2,051	
Busoco			-	-	2,444	2,964	
Nacwola	1,088	1,087	1,008	1,016	1,195		
ASOD			765	1,807			
Royal Pride	427	262					
	8,420	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 our 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 £1,983 (7.5% of total income).

Admin fund costs	2014	2013	2012	2011	2010	2009	2008
Local administrator / VSO volunteer	1,344	1,513	1,269	2,172	2,064	2,765	332
Office rent	310	294	258				
Bank charges	180	131	138	137	101	160	83
Stationery	149	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
	1,983	1,984	1,750	2,510	2,165	3,946	845

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Key Financial Indicators

Indicator	2014	2013	Comment
Key indicator showing the overall level of costs not directly related to education:			
Admin, fundraising and support costs as a percentage of income	7.5% (£1,983/£26,340)	6.1% (£1,984/£32,792)	Increased due to lower income
Indicators showing efficiency of the spend:			
Admin costs as a percentage of total payments	1.0% (£329/£33,225)	0.5% (£177/£34,001)	Still very low despite increase
Fundraising costs as a percentage of non admin income	0.0%	0.0%	
Support costs as a percentage of project and sponsorship costs	5.3% (£1,653/£31,243)	5.6% (£1,807/£32,016)	

Reserves

At year-end the charity held a total cash balance of £6,938. We 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.

Ideally we would hold slightly higher reserves to facilitate this, however, once the sponsored students from 2009 graduate we expect to be able to return our reserves to an optimum level.

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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 £35 in the period resulted from an 8% difference in the exchange rate on approximately £400 held in Ugandan shillings on 5 April 2014.

APPROVED BY THE TRUSTEES:

Umash Patel

Signed:

Date:

Mark O'Dowd

Signed:

Date:

Mike Lloyd

Signed:

Date:

LESSONS FOR LIFE

Accounts for the year ending 5 April 2014

THIS YEAR'S AMOUNT TO THE NEAREST £

(6 Apr 2013 to 5 April 2014)

LAST YEAR'S AMOUNT TO THE NEAREST £

(6 Apr 2012 to 5 April 2013)

Receipts and payments basis

RECEIPTS

Donations and other similar receipts

Regular contributions	2,100	8,798	8,799	19,697	2,200	9,157	7,661	19,018
One off donations	1,800	501	-	2,301		4,475	3,800	8,275
Tax reclaimed (gift aid)		2,174	2,140	4,314		2,841	2,644	5,485

Investment income

	-	28		28		14		14
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TOTAL RECEIPTS

	<u>3,900</u>	<u>11,501</u>	<u>10,939</u>	<u>26,340</u>	<u>2,200</u>	<u>16,487</u>	<u>14,105</u>	<u>32,792</u>
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PAYMENTS

Charitable activities

Sponsorships			22,822	22,822			24,067	24,067
Projects		8,420		8,420		7,949		7,949

Total Charitable activities

	-	<u>8,420</u>	<u>22,822</u>	<u>31,242</u>	-	<u>7,949</u>	<u>24,067</u>	<u>32,016</u>
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Payments for generating funds

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Support costs

	1,653			1,653	1,807			1,807
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Management and administration

	329			329	177			177
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TOTAL PAYMENTS

	<u>1,983</u>	<u>8,420</u>	<u>22,822</u>	<u>33,225</u>	<u>1,984</u>	<u>7,949</u>	<u>24,067</u>	<u>34,000</u>
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TRANSFERS BETWEEN FUNDS

		(11,000)	11,000	-		(10,000)	10,000	-
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FOREIGN EXCHANGE ADJUSTMENTS (FX)

	(14)	(21)		(35)	(3)	(9)		(12)
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NET OF RECEIPTS, PAYMENTS, TRANSFERS AND FX

	<u>1,903</u>	<u>(7,940)</u>	<u>(883)</u>	<u>(6,920)</u>	<u>213</u>	<u>(1,471)</u>	<u>38</u>	<u>(1,220)</u>
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Cash funds last year end

	861	17,795	(4,798)	13,858	648	19,266	(4,836)	15,078
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Cash funds this year end

	<u>2,764</u>	<u>9,855</u>	<u>(5,681)</u>	<u>6,938</u>	<u>861</u>	<u>17,795</u>	<u>(4,798)</u>	<u>13,858</u>
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Approved on behalf of trustees:

Mike Lloyd, Trustee and Treasurer

Mark O'Dowd, Trustee

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

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 2014

Receipts and payments basis

THIS YEAR'S AMOUNT TO THE NEAREST £

As at 5 April 2014

LAST YEAR'S AMOUNT TO THE NEAREST £

As at 5 April 2013

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Admin fund	General and Sponsorship funds	All Funds	Admin fund	General and Sponsorship funds	All Funds
STATEMENT OF ASSETS AND LIABILITIES AT YEAR END						
For the financial year ended on 5 April 2014						
Cash funds						
£ accounts	2,604	3,920	6,524	712	12,599	13,311
Ugandan shilling accounts	160	254	414	149	398	547
Total cash funds	2,764	4,174	6,938	861	12,997	13,858
Other assets	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
TOTAL NET ASSETS	<u>2,764</u>	<u>4,174</u>	<u>6,938</u>	<u>861</u>	<u>12,997</u>	<u>13,858</u>

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