



ANNUAL REPORT OF THE TRUSTEES FOR YEAR TO 5 APRIL 2015

SUMMARY

This year Lessons for Life has helped approximately 300 children in Uganda to get an education. Overall donations decreased by 2% to £25,796, with a reduction in one-offs mostly offset by higher gift aid receipts and higher regular contributions.

Regular contributions have remained at a level which has permitted us to meet all our commitments. 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

This year our sponsorship programme has provided 41 children with a truly life-changing opportunity to attend secondary school. This includes 4 new students and 14 who successfully completed their courses during the year.

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 they have to make in order to attend. 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 £397 this year and is covered by specific donations.

Sponsorships

We maintained our sponsorship scheme to permit 41 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 4 new students (with specific sponsors) while 14 left the scheme – all having successfully graduated from the course they were doing.

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 £25,796 and spent £25,690.

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








This year we received £9,426 into the sponsorship fund and spent £15,748.

This shortfall largely relates to having taken on more students in 2009 than we have been able to find sponsors for and has been covered by an £8,000 transfer from the general fund.

Payments have reduced significantly this year (down 31% from £22,822 last year) as many of these students finished their courses during the year or at the end of the previous year.

There has also been a 2% decrease in the average cost to us (in £) for school fees. Although this is only a small reduction, it is a welcome reversal in the upwards trend we have experienced since we took on significant numbers of students, as can be seen in the following table.

Average annual school fees

	UGS'000	FX rate	£	Increase
2009	970 	3,019	321	
2010	1,091 	3,235	337	5%
2011	1,216 	3,390	359	6%
2012	1,534 	3,823	401	12%
2013	1,821 	3,820	477	19%
2014	1,886 	3,878	486	2%
2015	1,987 	4,175	476	-2%

Despite these challenges, 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.

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The negative balance on the sponsorship fund of £4,003 represents timing differences, both for gift aid repayments from the Inland Revenue (on donations already received), and expected donations from sponsors (for costs already incurred).

General Fund

We received £13,370 into the general fund and we spent £7,548 this year. The following table shows our spending on projects since we started:

Project costs	2015	2014	2013	2012	2011	2010	2009	2008
Vocational training	1,078	1,161	1,180	1,173	1,806	1,329	1,016	1,779
Railway assisted attendance	2,680	3,018	3,129	1,710	4,026	2,621	3,171	
Police assisted attendance	2,461	2,726	2,290	1,269	2,653	1,719	2,051	
Busoco	-	-	-	-	-	2,444	2,964	
Nacwola	932	1,088	1,088	1,008	1,016	1,195		
ASOD	-	-	-	766	1,807			
Royal Pride	397	427	262					
	7,548	8,420	7,949	5,926	11,308	9,308	9,202	1,779

The reduced level of project costs compared to last year is principally due to timing of when payments have been made. Activity levels have been very similar.

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 £2,394 (9.3% of total income). This included £478 for the purchase of a replacement laptop for Linda, without which costs would have been slightly lower than the last two years.

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Admin fund costs	2015	2014	2013	2012	2011	2010	2009	2008
Local administrator / VSO volunteer	1,239	1,344	1,513	1,269	2,172	2,064	2,765	332
Office rent	288	310	294	258				
Bank charges	188	180	131	138	137	101	160	83
Stationery	201	149	46	85			64	
Fundraising - internet sponsorship site					176			
Postage					25			
Internet (hosting/registration)							314	
Laptop	478						330	
Printer							46	
Collection boxes							67	
Legal fees - registration in Uganda							161	
Fee for charity registration							39	
Fundraising leaflets								430
	2,394	1,983	1,984	1,750	2,510	2,165	3,946	845

Key Financial Indicators

Indicator	2015	2014	Comment
Our key indicator showing the overall level of costs not directly related to education:			
Admin, fundraising and support costs as a percentage of income	9.3% (£2,394/£25,796)	7.5% (£1,983/£26,340)	Increased due to laptop purchase
Indicators showing efficiency of the spend:			
Admin costs as a percentage of total payments	1.5% (£390/£25,690)	1.0% (£329/£33,225)	Still very low
Fundraising costs as a percentage of non admin income	0.0%	0.0%	
Support costs as a percentage of project and sponsorship costs	8.6% (£2,004/£23,296)	5.3% (£1,653/£31,243)	Increased due to laptop purchase and fewer sponsored students

Reserves

At year-end, the charity held a total cash balance of £7,011. 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.

Reserves are currently slightly lower than we would like but are sufficient to support our present level of activity.

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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.

The loss of £33 in the period resulted from a 5% movement in the exchange rate on approximately £700 held in Ugandan shillings on 5 April 2015.

APPROVED BY THE TRUSTEES:

Umash Patel

Signed:

Date:

Mark O'Dowd

Signed:

Date:

Mike Lloyd

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Date: