

Educate A Child - International

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

Charity Number: 1160869

EDUCATE A CHILD - INTERNATIONAL

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

| CONTENTS | Page |
|--|-------------|
| Reference and administrative details | 1 |
| Trustees' report | 2-6 |
| Independent Examiners Report | 7 |
| Statement of financial activities (incorporating income and expenditure account) | 8 |
| Balance sheet | 9 |
| Notes to the financial statements | 10-12 |

EDUCATE A CHILD - INTERNATIONAL

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2020

| | |
|--|--|
| Charity Number | 1160869 |
| Registered office and operational address | 10 Queen Street Place London EC4R 1AG |
| Trustees | Mr Augustus Della-Porta Mr Fahad Al Sulaiti Dr George Martin Stephen |
| Solicitors | Bates Wells 10 Queen Street Place London EC4R 1AG |
| Independent Examiners | Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG |

JSu

EDUCATE A CHILD - INTERNATIONAL

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The Board of Trustees present their report and accounts for the period from 1 April 2019 to 31 March 2020.

Accounts:

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, applicable law and the requirements of the Statement of Recommended Practice "SORP 2015", "Accounting and Reporting by Charities" issued in 2015 and the Charities Act 2011.

Structure:

Educate A Child - International (The "Charity") was registered as a Charitable Incorporated Organisation (CIO) on 12 March 2015 and is governed by its constitution and Charity Commission regulations.

The sole member of the Charity is Education Above All Foundation, a registered public benefit private organisation, incorporated in Qatar with registered number 03009100 whose office is at MB3 Building, Education City, New Al Rayyan Street, P O Box 34173, Doha, Qatar ("EAA").

Board of Trustees:

The Board of Trustees who served during the financial year, and up to the date of signing the trustees' report, consist of the following individuals:

- Mr. Augustus Della-Porta
- Mr. Fahad Al Sulaiti
- Dr. George Martin Stephen

Registered Details:

| | |
|----------------------------|---|
| Registered address: | 10 Queen Street Place, London EC4R 1BE |
| Registered charity number: | 1160869 |
| Examiners: | Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1BE |
| Solicitors: | Bates Wells, 10 Queen Street Place, London EC4R 1BE |

Objects

The objects of the Charity are to further any purpose which is exclusively charitable under the law of England and Wales including the advancement of education and the relief of poverty:

Activities

The Charity remains committed to its charitable objectives and its vision of the world in which no child is denied the right to good quality primary and basic education. Educate A Child - International will

JSu

EDUCATE A CHILD - INTERNATIONAL

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2020

fundraise and make educational grants to partner organisations whose activities promote its charitable objectives. The Charity will seek to measurably improve access to high quality primary education for vulnerable and marginalised children in developing countries, empowering children to be active members of their communities.

The Charity commenced fundraising activities with the assistance of its sole member Education Above All Foundation, making strong links with donors. In this, the Charity followed its internal due diligence policy; a grant agreement was signed by both parties and this was followed by the transfer of charitable funding which will be reflected in the next year's financial statements.

The Trustees agreed to make a grant of £100,000 to improve access to quality and inclusive education in Iraq. UNESCO will refurbish 11 schools in the Nineveh Governorate. The agreement was signed by both parties and is now being jointly monitored for implementation with Education Above All Foundation.

The Trustees discussed a project to support education with MercyCorps in Puntland, Somaliland, and South Central Somalia. This could not be implemented due to covid-19 and other reasons.

At the time of signing of this Trustees Report, the Trustees are finalising an agreement with Save The Children to provide increased access to quality basic education for out of school children in the Gambella region in Ethiopia. This will target over 35,000 out of school children, 45% of which are girls. Save The Children will work closely with UNHCR and local refugee and education authorities.

For all grant-making, the Charity carries out thorough due diligence and contracts require that its funding is used for its charitable purposes and in compliance with all UK laws. The trustees will ensure that appropriate receipts and records of expenditure are kept in accordance with Charity Commission and HMRC guidance and the organisation has in place procedures to carry out monitoring and evaluation of the projects.

The Trustees have appointed a permanent Chief Executive Officer. They employed the services of a specialist recruitment firm and 6 well-qualified candidates were shortlisted for interviews. The new CEO started in post in October 2020 and is writing the Business Plan for the next year, reviewing policies and building relationships with donors and partners.

Donors:

The Charity commenced fundraising activities in the private sector with the assistance of Education Above All Foundation.

The Charity aims to fundraise from individuals, corporations, trusts and governmental bodies situated in the UK and in continental Europe to support educational projects.

The Charity has carried out research to help prepare its fundraising strategy and business plan. The strategic fundraising centres on working to ensure that no child is denied the right to a good quality primary and basic education. The strategy aims at three fundraising strands: Co-funding, co-financing

JSu

EDUCATE A CHILD - INTERNATIONAL

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2020

and direct gifts. The strategy provides a comprehensive plan on how to approach donors and explains how each donor is different, requiring tailored and personal methodologies.

The Trustees plan to adopt a Fundraising policy and risk-based approach to identifying the Charity's donors and in accepting or refusing donations to Educate a Child-International.

Partner Organisations:

The Charity will be working with international NGOs and other institutions and through these organisations will identify projects which will have the greatest impact for out of school children.

The Charity will base its decisions of where to apply its funds on data and research from internationally recognised sources.

Policies and Procedures:

The Charity has in place robust policies. In line with good practice, it will be reviewing its risk management policy, safeguarding policy and grant agreements during the current fiscal year.

The Charity expects to raise approximately £650,000 (Six Hundred and Fifty Thousand Pounds) in restricted / un-restricted income during the current financial year.

Financial review

The Charity received donations, grants and other income worth £0 (£0 in 2018/19). At the end of the fiscal year 2019/20 the Charity brought forward a nil bank balance (£Nil in 2018/19). A bank account has recently been opened in the UK and the trustees are putting together financial approval processes for the operation of the bank account. In the fiscal year 2019/20, the Charity's cash balances (including reserves) were held in trust by Education Above All Foundation (EAA).

In accordance with SORP 2015, costs have been allocated direct to relevant activities.

Plans for 2019-2020

The Charity continues to focus on access to good quality primary education.

As mentioned above, the Charity has continued fundraising and grant-making activities. They have progressed arrangements with Save The Children to support out of school children in the Gambella region in Ethiopia.

Activity will increase in the second half of the year under the leadership of the new Chief Executive Officer and after approval of a new Business Plan.

The trustees have been meeting regularly by telephone, due to current pandemic lockdowns.

JS

EDUCATE A CHILD - INTERNATIONAL

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2020

Public Benefit

As a charity, Educate a Child – International must be able to demonstrate that its objects and activities are for the public benefit as required by the Charities Act 2011. The trustees have reviewed the guidance issued by the Charity Commission on public benefit and have ensured that the Charity's objects and activities continue to comply with this statutory requirement. The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

This Report explains our main activities and achievements in carrying out our aims.

Governance and internal control

The systems of internal control are designed to provide reasonable assurance against material mis-statement or loss. They include:

- The trustees are responsible for the strategic direction of the Charity and, subject to any prudent delegation to advisers and agents, make all substantive decisions in relation to the Charity. The trustees are not remunerated;
- Regular consideration by the Board of Trustees of financial results and non-financial indicators;
- Prudent delegation of authority and segregation of duties;
- Identification and management of risks.

Risk management

The trustees have developed a risk management policy to identify, assess and manage risks. The main risks are:

- Funding & economic instability
- Financial sustainability
- Key roles sickness
- Staff recruitment
- Damaging behaviour including fraud and safeguarding

Reserves policy

Trustees are committed to generating sufficient reserves to support current charitable activities to meet the following requirements:

- Safeguard the charity's service commitment in the event of delays receiving grants/other income.
- Providing a financial cushion against risk and future uncertainties.
- Resourcing the research and development of services and initiatives.

To this end, the Trustees have established a reserves policy that is reviewed annually to ensure that the appropriate levels of reserves are maintained. However, the Trustees are of the view that reserves should not be set too high, tying up funds which could and should be spent on charitable activities. The charity, therefore, aims to hold unrestricted reserves, excluding those tied up in tangible fixed assets

JSu

EDUCATE A CHILD - INTERNATIONAL

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2020

amounting to three months expenditure (average), currently £40,000. This is to minimise any disruption to beneficiaries should a source of income cease. Reserves are held on trust by EAA.

Statement of responsibilities of the trustees

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 9th November 2020 and signed on their behalf by

Signature:



Name:

Mr. Augustus Della-Porta

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EDUCATE A CHILD - INTERNATIONAL

I report to the Trustees on my examination of the accounts of Educate a Child – International for the year ended 31 March 2020 which are set out on pages 7 to 11.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (“the 2011 Act”). The trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

I report in respect of my examination of the Trust’s accounts as carried out under section 44 (1) (c) of the 2005 Act and section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner’s statement

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Murtaza Jessa ACA
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Date: 26 January 2021



EDUCATE A CHILD - INTERNATIONAL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020

| | Notes | Total 2020 £ | Total 2019 £ |
|-------------------------------|----------|-----------------------|-----------------------|
| EXPENDITURE ON: | | | |
| Charitable activities: | 2 | 158,482 | 63,815 |
| Total expenditure | | <u>158,482</u> | <u>63,815</u> |
| Net movement in funds | | (158,482) | (63,815) |
| Funds brought forward | | 440,951 | 504,766 |
| Funds at 31 March 2020 | 6 | <u>282,469</u> | <u>440,951</u> |

The accompanying notes form part of these financial statements. The statement of financial activities includes all gains and losses recognised in the year.

Su

EDUCATE A CHILD - INTERNATIONAL

BALANCE SHEET

Charity number: 1160869

FOR THE YEAR ENDED 31 MARCH 2020

| | Notes | 2020 £ | 2019 £ |
|---|-------|------------------|-----------------|
| CURRENT ASSETS | | | |
| Debtors | 3 | 390,567 | 451,022 |
| CREDITORS: amounts falling due within one year | 4 | <u>(108,098)</u> | <u>(10,071)</u> |
| NET CURRENT ASSETS | | <u>282,469</u> | <u>440,951</u> |
| NET ASSETS | | <u>282,469</u> | <u>440,951</u> |
| FUNDS | | | |
| Unrestricted funds: | | | |
| General | | 182,469 | 240,951 |
| Designated Funds | | 100,000 | 200,000 |
| TOTAL FUNDS | 6,7 | <u>282,469</u> | <u>440,951</u> |

These accounts were approved by the Board of Directors and authorised for issue on 9th November 2020 and signed on their behalf by:



Trustee: Mr Augustus Della-Porta

The accompanying notes form an integral part of these financial statements.

EDUCATE A CHILD - INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2019) and Schedule 1a of FRS102.

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable Charity for particular purposes.

(c) Income

All income is included in the SOFA when the Charity is legally entitled to the income, there is reasonable certainty of receipt and the amount can be quantified with reasonable accuracy.

(d) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. All support costs, except governance costs, are allocated between cost of generating funds and resources expended on charitable activities on basis of time spent.

(e) Foreign currencies

All income resources and expenditure accounted for in the year have been converted at the rate applicable at that time.

(f) Going concern

The trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern.

(g) Critical accounting judgements and estimates

In preparing these accounts, management has made judgements, estimates and assumptions that affect the application of the Charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the accounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(h) Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortized cost using the effective interest method, less any impairment.

(i) Creditors

Creditors and provisions are recognized where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to

EDUCATE A CHILD - INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

settle the obligation can be measured or estimated reliably.

(j) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognized at transaction value and subsequently measured at their settlement value.

(k) Cash at bank and in hand

Cash at bank and in hand includes cash balances only.

| | | |
|--|--------------------|--------------------|
| 2. TOTAL EXPENDITURE | Total funds | Total funds |
| | 2020 | 2019 |
| EXPENDITURE ON CHARITABLE ACTIVITIES | £ | £ |
| Salaries | 3,713 | 12,157 |
| HMRC Taxes and NI | 1,060 | 3,459 |
| Payroll processing fee | 1,350 | 2,613 |
| Insurance | 542 | 41 |
| Local travel | - | 160 |
| Postage, stationary and office supplies | 39 | - |
| Professional fees | 18,958 | 19,135 |
| Telephones, email and fax | 180 | - |
| Financial Management and administration | 24,300 | 22,274 |
| Office rentals | 5,880 | 1,563 |
| Governance | 2,460 | 2,387 |
| Bank charges | - | 26 |
| Grant Expenditure – UNESCO | 100,000 | - |
| | <u>158,482</u> | <u>63,815</u> |
| 3. DEBTORS | 2020 | 2019 |
| | £ | £ |
| Donors (see note 7) | 388,489 | 449,797 |
| Prepayments | 2,078 | 1,225 |
| | <u>390,567</u> | <u>451,022</u> |
| 4. CREDITORS: amounts falling due within one year | 2020 | 2019 |
| | £ | £ |
| Committed grants | 100,000 | - |
| Accruals | 2,460 | 2,387 |
| Trade creditors | 5,638 | 7,684 |
| | <u>108,098</u> | <u>10,071</u> |

JSu

EDUCATE A CHILD - INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS - Continued

FOR THE YEAR ENDED 31 MARCH 2020

| 5. | STATEMENT OF FUNDS (2020) | Brought Forward £ | Income £ | Expenditure £ | Transfers £ | Carried Forward £ |
|----|----------------------------------|------------------------------|---------------------|--------------------------|------------------------|------------------------------|
| | Unrestricted funds | | | | | |
| | General unrestricted funds | 240,951 | - | (58,482) | - | 182,469 |
| | Designated funds | | | | | |
| | Inclusive education projects | 200,000 | - | (100,000) | - | 100,000 |
| | Total funds | <u>440,951</u> | <u>-</u> | <u>(158,482)</u> | <u>-</u> | <u>282,469</u> |
| | STATEMENT OF FUNDS (2019) | Brought Forward £ | Income £ | Expenditure £ | Transfers £ | Carried Forward £ |
| | Unrestricted funds | | | | | |
| | General unrestricted funds | 304,766 | - | (63,815) | - | 240,951 |
| | Designated funds | | | | | |
| | Inclusive education projects | 200,000 | - | - | - | 200,000 |
| | Total funds | <u>504,766</u> | <u>-</u> | <u>(63,815)</u> | <u>-</u> | <u>440,951</u> |

The trustees have designated £200,000 for two grants, each for £100,000, to fund projects to improve access to quality and inclusive education, in Iraq and Ethiopia.

6. TRUSTEES REMUNERATION AND EXPENSES

The Trustees received £nil in remuneration during the year.

7. RELATED PARTY TRANSACTIONS

At 31 March 2020, Education Above All Foundation (EAA), held £388,489 (2019: £450,526) on behalf of the Charity under the terms of a costs agreement.

Mr Augustus Della Porta is a solicitor at Bates Wells, which has provided paid legal services of £12,958 (£6,497 in 2018/19) to the Charity during the year.

The Charity has a robust Conflict of interest policy, as does BWB.

JSu