

SEED INTERNATIONAL FUND TRUST

England & Wales · Charity number 1094193

Details

Other names	SIFT
Status	Registered
Legal form	Other
Registered	2002-10-16
Register	View on the Charity Commission register

Contact

Address	1 Harepath Road Seaton Devon EX12 2RP
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Website	www.seed-trust.com

Activities

Objects: 1. TO RELIEVE POVERTY2. TO ADVANCE THE CHRISTIAN RELIGION3. TO ADVANCE THE PROTECTION AND PRESERVATION OF GOOD HEALTH4. TO FACILITATE EDUCATION

Activities: SIFT is a Christian charity committed to helping the poor of Nicaragua, Central America. Nicaragua is the second poorest nation in Latin America. We are helping the poor of Nicaragua to find their own way out of poverty through projects in health, education and housing.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities, Economic/community Development/employment
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE SOUTH DEVON, THROUGHT NICARAGUA IN CENTRAL AMERICA AND ELSEWHERE IN THE WORLD
- Nicaragua
- Devon

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£87,931	£96,900	-	-
2023-08-31	£112,098	£104,921	-	-
2022-08-31	£113,281	£111,178	-	-
2021-08-31	£115,746	£109,676	-	-
2020-08-31	£117,816	£140,033	-	-

Trustees

Name	Role	Appointed
FREJA JOY BROWN BA MArchD	Chair	2020-01-18
DAVID JOSEPH LANGMEAD BA		2013-10-08
MATTHEW FARRER DipArch		2014-10-24

SEED INTERNATIONAL FUND TRUST

England & Wales - Charity number 1094193

Accounts



Annual Report & Accounts 2023 - 2024



*Sowing seeds of hope
in Nicaragua*

About Nicaragua



Nicaragua has a population of 6.9 million and is the second poorest country in the Americas after Haiti. The most recent independent survey of Nicaraguan households, carried out in 2019, found 44% of the population living below the poverty line, with 8.9% living in extreme poverty¹. These figures increased significantly in rural communities, where 63% of the population are below the poverty line and 17.4% live in extreme poverty. A number of different factors contribute towards extreme poverty, with the most significant being economic dependence, overcrowded homes and a lack of access to basic services.

The Nicaraguan Central Bank reported an increase in national GDP of 4.4% in 2023². Whilst this is an encouraging sign for the country as a whole, ordinary Nicaraguans are experiencing high levels of inflation, which was 5.6% in 2023, down from a high of 11.6% in 2022. The Nicaraguan government continues to close NGOs and silence those who

are critical of its actions. As a result, many Nicaraguans are choosing to emigrate to other countries in the region, such as Costa Rica and the United States.

At a national level in Nicaragua there are only 7 physicians for every 10,000 people, compared to 32 physicians for every 10,000 people in the UK³. Almost half of all health centres lack a water supply, and 35% of rural health centres do not have a reliable electricity source.⁵ The rural population face particular challenges in the area of health: 82% of rural families cook on open wood fires (which can lead to respiratory diseases), 37% of children from these communities are undernourished, and 70% of maternal deaths occur in rural areas⁵. Maternal deaths include women who die whilst pregnant or within 6 weeks of being pregnant.

The latest UNDP update for Nicaragua recognises that Nicaraguan children have far better access to education than their parents did. A child beginning school this year is anticipated to spend 11.5 years in education, whereas the average Nicaraguan aged 25 years or older only spent 9.9 years in education.⁴ Whilst attendance at primary school is compulsory, primary attendance rates are only 87%. Secondary school attendance rates drop to 66% for girls and 64% for boys, and only 15% of teenagers go on to study at university. This reflects the fact that young people often need to choose between continuing with their education and finding work in order to financially support their families.

SIFT is working to bring hope and security to the poor of Nicaragua through projects in the areas of health, education and housing. Our projects are based on the island of Ometepe, in the town of Bluefields, and in the localities of Managua and Granada.

- (1) People living below the poverty line live on less than \$2.30 per day and those in extreme poverty live on less than \$1.15 per day.
- (2) BCN. 2025. *Informe Anual 2024* [Online]. Available at https://www.bcn.gob.ni/sites/default/files/documentos/Informe%20Anual%202024_20250331.pdf
- (3) World Bank. 2025. *Physicians (per 1,000 people)* [Online]. Available at <https://data.worldbank.org/indicator/SH.MED.PHYS.ZS>
- (4) UNDP. 2025. *Human Development Report 2025* [Online]. New York: UNDP. Available at: <https://hdr.undp.org/system/files/documents/global-report-document/hdr2025reporten.pdf>
- (5) Sequeira M, Espinoza H, Amador JJ, Domingo G, Quintanilla M, and de los Santos T. 2011. *The Nicaraguan Health System* [Online]. Seattle, Washington: PATH. Available at: <https://media.path.org/documents/TS-nicaragua-health-system-rpt.pdf>

Report of the Trustees

Mission, Objectives, Strategy and Activities

Mission

SIFT's mission is to transform the lives of the poor in Nicaragua by focussed activity in specific areas and communities of need.

Objectives

The Trustees hold the trust fund and its income upon trust to apply them for the following objectives:

1. To relieve poverty.
2. To advance the Christian religion.
3. To facilitate the protection and preservation of good health.
4. To facilitate education.

Strategy

SIFT's overall strategy to satisfy these charitable objectives is:

To use SIFT funds and resources to help to draw Nicaraguans out of material and spiritual poverty, by supporting indigenous individuals, groups or Churches in projects to benefit the poor.

Activities

Throughout the year SIFT has worked with beneficiaries and indigenous organisations, including local government and NGOs, to assess needs and to ensure solutions are developed and implemented which will be of sustainable public benefit. Our main activities for this year to fulfil the objectives were:

- Providing primary healthcare on the island of Ometepe.
- Sponsoring the education of children and young people in Bluefields.
- Supporting a children's ministry near Managua.
- Progressing options to re-house poor and displaced islander families on the Asese Peninsula.
- Supporting a children's Feeding Programme on the island of Ometepe.

Details of these activities and achievements this year appear in the following pages.

Contents

About Nicaragua	Page 2
Report of the Trustees	Page 3
Independent Accountant's Report	Page 11
Statement of Financial Affairs	Page 12
Balance Sheet	Page 13
Statement of Cash Flows	Page 14
Notes to the Financial Statements	Page 15
Charity Information	Page 21

Report of the Trustees

Activities, Achievements and Performance

Health

The island of Ometepe in Lake Nicaragua is home to around 35,000 people, most of whom live in rural farming communities. There are limited government health facilities on the island, mainly located in the main towns, and patients who use them need to pay for any medicines they require after seeing the doctor for free. As around 39% of the population of Ometepe live in extreme poverty this means that many people cannot afford the treatment that they need.



A patient receiving free medicines at Las Pilas clinic

SIFT has been providing primary healthcare to the people of Ometepe since 2005, with this medical provision being led by Dr Sandra Villagra. Patients who attend one of Dr Sandra's clinics only pay an affordable consultation fee to see the doctor, and this fee is waived if they cannot afford it, as we do not want a lack of money to prevent someone from being treated. Any medicines that patients require are prescribed to them free of charge.

Our health clinics are located in the communities of Las Pilas and El Corozal. They are staffed by Dr Sandra Villagra and a team of two local nurses, both of whom have graduated from university with a professional nursing qualification, which allows them to hold consultations and dispense medicines even when Dr Sandra is not at the clinic. During this year another nurse who worked in the medical team, Adelita Martinez, retired due to health issues. We are grateful to Adelita

for her many years of faithful service in the clinics, and the friendly manner in which she attended patients.

This year Dr Sandra was diagnosed with breast cancer and as a result she was not able to work at the clinics for a number of months. We are extremely grateful to Dr Cardenas, a doctor who has a private gynaecological clinic on Ometepe, who supported our nurses and gave consultations at the clinics during Sandra's absence. Thankfully Dr Sandra received prompt treatment for her cancer and, following an operation and course of chemotherapy, she has made a full recovery.

Health education is a key method to improve the general health of a community. Whilst they are waiting for their appointments, our nurses teach them practical ways to live healthy lives. When there is an outbreak of a specific disease on Ometepe, such as dengue fever, the talks focus on ways to avoid contracting it and how to recognise its symptoms. The talks also cover general health topics, such as personal hygiene and good nutrition.

The nurses also play a valuable role in providing pastoral care to their patients. Often they find that a patient needs to talk through a situation that they are facing in their personal life, in addition to the medical condition that they are presenting. Patients appreciate being able to share their concerns with our nurses, and often request prayer for the situations that they are facing.

Women living in communities on the south of Ometepe live far from the main maternal facilities on the island. As such it is especially important that mothers-to-be know what to expect during pregnancy, including how to recognise signs of potential complications. Our nurses pay special attention to pregnant women who attend this clinic, monitoring their pregnancies and providing them with antenatal advice and emotional support, including prayer when this is requested. As the women approach their due date Dr Sandra is able to give them an ultrasound scan, using SIFT's portable ultrasound monitor.

In January 2024 we were pleased to welcome a brigade of medical and geography students and their professors from Carthage College in Wisconsin. This visit was part of an ongoing partnership between SIFT and Carthage College, where medical students are able to experience the provision of healthcare in the context of the developing world. As well as assisting our nurses with consultations, the medical students distributed gifts to patients and the geography students worked on water projects to benefit the people of the island.

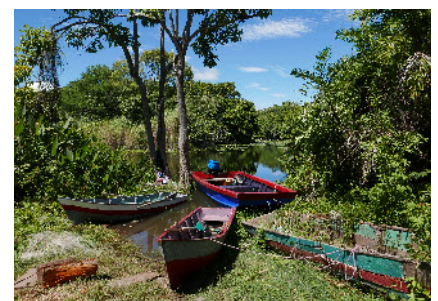
Just under half of the income for our health clinics comes from our supporters in the form of regular monthly donations. Many of the people who give to SIFT in this way do so through one of our medical sponsorship schemes, paying a suggested monthly donation of £15 to support either Dr Sandra or one of our nurses. We are also very grateful to the Peace and Hope Trust, the George Muller Charitable Trust, and the Souter Charitable Trust who provided us with generous grants for the medical work this year.

Finca El Rayo - Asese Peninsula

The Asese peninsula is located just to the south of the colonial city of Granada, on the north-western shore of Lake Nicaragua. The three mile long peninsula is surrounded by hundreds of small islands, collectively known as Las Isletas de Granada (the Little Islands of Granada). Many of these islands are inhabited by poor families, but these families do not have legal ownership of the land that they have lived on for generations.

In recent years this beautiful location has been discovered by tourists and investors, and some of the islands have been bought and are being developed into holiday homes, eco-tourist resorts, or restaurants. This means that many families face the prospect of eviction from their homes at short notice, with only minimal compensation being awarded to them. Some of the new owners of the islands have allowed resident families to remain on their islands as caretakers, but this is only a temporary arrangement and offers the families very little long-term security. If a family facing eviction cannot move in with their relatives then their limited financial resources may mean that they have to relocate to the slums of Granada.

SIFT has bought a plot of land on the Asese peninsula, called Finca El Rayo, which we are planning to use to provide up to 50 islander families who are facing eviction from their islands with a permanent place to live. Since many families in this area rely on fishing to feed their families and to bring in a small income, having a plot of land with lake access is essential to enable them to continue with their traditional way of life. We will be giving the families legal ownership of their plots of land so that they can have security for the future.



*Traditional fishing boats
moored at Finca El Rayo*

A full environmental impact assessment has been carried out and flood defences have been constructed to prevent flooding of the housing area even when water levels in Lake Nicaragua are exceptionally high. This year we have also erected a number of private property signs around the perimeter of the land to deter people from trespassing and disturbing those families who are already living on the land. A committee of the beneficiaries has been established to deal with the practical and social issues that may occur during the formation of the new community.

The next stage of the project involves transferring the legal ownership of the individual plots of land to the beneficiary families. Unfortunately the legal steps involved in this process have taken much longer than we expected, but we hope that all the necessary paperwork will be put in place during the coming year so that we can give the families their plots of land and the security that they so desperately need.

Report of the Trustees

Education Sponsorship

SIFT's work in Nicaragua started when our founder, Dick Bell MBE, was asked for help with the costs of schooling by a child living in the town of Bluefields, on the Caribbean coast of Nicaragua. Bluefields is home to around 40,000 people but suffers from high levels of unemployment and underemployment. In the last national census it was discovered that only 29% of the working population of Bluefields had full-time employment, with a further 14% only finding occasional employment. Recent high levels of inflation have made life increasingly difficult for families living on or below the poverty line and, as a result, many children are pressured into finding occasional temporary labour rather than continuing with their studies.

Nicaraguan state schools have been free to attend since 2007, which has made it easier for children from all backgrounds to receive a basic education. However these schools tend not to be fully resourced and can also have large class sizes, affecting the quality of education that the children receive. For those families that can afford it, attending a fee-paying school provides their children with a better standard of education, but this opportunity is out of the reach of the poorest in society.



One of SIFT's sponsored students at school

SIFT's education sponsorship scheme enables children from disadvantaged families in Bluefields to attend fee-paying schools. It is our hope that having the foundation of a good education will enable them to find well-paying employment and thus they will be able to support their families. All of the schools that our sponsored children attend are affiliated with churches in Bluefields, and so the children receive a Christian education in addition to the state curriculum. Of the 107 children that we sponsor in Bluefields, 39 attend primary school, 47 attend secondary school and 21 are university students.

This year the Nicaraguan government has continued to close both national and international NGOs, and has also targeted some private Christian schools and churches. One of the affected organisations was Verbo, which runs a network of churches across Nicaragua and a few schools, including one in Bluefields. Whilst the Verbo churches are still able to meet for worship services, the ministry's bank accounts were closed and the funds seized by the government. This meant that the Verbo school in Bluefields was not able to receive funds from partner organisations in North America. As a result the school had to close at the end of 2023. We were saddened to hear this news as SIFT has had a long history with Verbo, and many of our sponsored students have attended the school.

Thankfully we were able to transfer all of the sponsored students who were attending Verbo to other schools in Bluefields, and we are grateful to the administrative staff of the schools for the kind manner in which they accepted these children.

The progress of our sponsored students' education is monitored by our volunteer field worker, Margaret Storey, who lives in Bluefields from March to September each year. Margaret visits all of the schools on a monthly basis and informs the UK office if a child has left school or is experiencing difficulties in their education. She also stays in contact with our university students, providing them with funds when they incur expenses on their courses. We are extremely grateful for Margaret's faithful service in Bluefields, and for all of the pastoral and practical support that she gives to the children of Bluefields and their families.

We are also very grateful to those sponsors who regularly donate to the education sponsorship fund. Each sponsor receives an annual update for their sponsored child, which includes a recent photograph and news about their child's progress. The annual updates are written by Margaret Storey during her time in the UK and we are grateful to Ruth Ward who assists in sending the updates out to sponsors.

Hogar de Fe Children's Ministry

The Hogar de Fe (Home of Faith) orphanage was founded in 1992 by Pastor Ramiro Blandon and his wife Conchita after a baby was abandoned on their doorstep. The orphanage was situated in the town of Los Brasiles, near to Managua, and for over thirty years it provided a loving home to children and young people. In recent years the running of the ministry was handed over to Ramiro's son, Isaac, and a team of local Christians. The children who lived at Hogar de Fe came from troubled backgrounds; some of them were full orphans and others were not able to be supported by their families. Regardless of their past, they were welcomed into a loving Christian family at Hogar de Fe and given every opportunity to develop to their full potential.

Sadly, the organisation that provided the majority of the budget to run the orphanage changed its funding priorities in Nicaragua and withdrew its support from the orphanage. This left SIFT and a few American individuals as the only funding partners for Hogar de Fe. As a result Isaac had to restructure the ministry's activities to cope with a significantly reduced operating budget and unfortunately had to close the doors of the orphanage. The children who were living at Hogar de Fe either returned to their extended families in Los Brasiles or went to live at other children's homes run by the state. The team have remained in contact with the children and young people to provide them with pastoral support, and see many of them at Pastor Ramiro's church each Sunday.

Isaac and the team are now using the resources of Hogar de Fe to provide local children with access to a good quality education. They have started giving full scholarships to deserving children from poor backgrounds so that they can attend the Josue 1:8 school. This school is located next door to the orphanage and is led by Job Blandon, another one of Pastor Ramiro's sons. It is a very popular and well-resourced school, with over 500 students attending. Primary and preschool classes are provided in the mornings, and secondary students attend in the afternoons. Families from the local community are keen to send their children to the school, but some are unable to do so due to the monthly school fees.



The children supported by SIFT and Hogar de Fe

The funding that SIFT provides is enabling scholarships to be given to 24 children and young people, and Isaac hopes to be able to expand this ministry in the future as funding allows. SIFT will continue to stand alongside Hogar de Fe during this time of change for their ministry, as they seek to serve the most needy in their society.

Feeding Programme

Receiving good nutrition in the early years of childhood is an essential part of a child's development, affecting both their physical growth and their performance at school. Sadly, the economic situation faced by many families living in rural areas of Nicaragua means that they struggle to provide their children with a balanced diet full of the nutrients needed for healthy development. Families on the island of Ometepe typically eat rice, beans and maize, but only eat limited amounts of meat, fish and vegetables.

Julita Alemán was involved with Christian work on the island of Ometepe for the final 47 years of her life. She became concerned that local children did not have adequate nutrition in their diets, and so she set up a feeding programme at her home in the village of Urbaite. Sadly Julita passed away in 2020, but the ministry of the feeding programme continues to meet in the grounds of her house, run by a group of local Christians and led by Maxnomara (Max) Potoy.

Around 30 children and their parents attend the feeding programme, which meets on Monday and Friday afternoons. As the children arrive the team members, which include an educational assistant,

Report of the Trustees



Children receiving educational support at the Feeding Programme

provide them with help for their schoolwork and give age-appropriate lessons in key skills such as writing and maths.

Once all of the children have arrived, they sing some lively Christian songs together and are told a Bible story by Max. The children enjoy choosing their favourite songs and joining in with the actions. Following their activities the children are given a glass of high-vitamin milk and, on some occasions, some items of food such as fortified rice. SIFT is pleased to be able to support the feeding programme by providing them with the funds needed to purchase the high-vitamin milk.

One of the team members who works alongside Max is a trained psychologist, and another is a physiotherapist. On three occasions during the week they run free sessions for those children who would benefit from these services.

We are encouraged to see the ministry of the feeding programme develop as the team care holistically for the children, showing the love of God in practical ways to the children and their parents.

Financial Review

SIFT relies upon the generosity of our supporters in the UK to be able to continue serving the poor of Nicaragua. We would like to express our gratitude to the many individuals, churches and trusts across the UK who have donated to SIFT over the past year.

Our overall income for the year was 22% lower than last year, due to the charity having received a generous legacy in 2022-23. Whilst this is a sizeable reduction in income, the donations and grants that we received were sufficient to enable us to continue supporting our ongoing projects in Nicaragua and meet all of our financial obligations.

Regular giving to SIFT formed 61% of our income this year. Most people who support SIFT on a regular basis do so by giving towards a particular project, such as sponsoring a child's education or supporting the medical work, but we do also have some regular unrestricted income. We are conscious of the need to increase the overall proportion of our income that comes from regular donations in order to give our ongoing work greater financial security.

The remainder of our income comes from one-off gifts from individuals and churches, grants from UK trusts, and sponsored events carried out by our team and supporters. We encourage donations to be Gift Aided wherever this is possible, and use money received from Gift Aid claims for administrative costs and staff salaries. This year money received from Gift Aid claims formed 10% of our total income.

All of our operational expenditure in Nicaragua is in dollars, and so continues to be affected by the low value of sterling with respect to the dollar, although this has improved since the historic low levels caused by the UK mini-budget in September 2022. We have continued to focus our fundraising activities on the medical work to ensure that we are able to continue supporting this vital project.

Our support costs this year formed 23% of our total expenditure. We aim to keep our UK and Nicaragua support operations as efficient and cost effective as possible, in order to maximise the funds that are available to support projects in Nicaragua.

We operate restricted funds for projects such as our medical work and our education sponsorship scheme. All of the money in these funds is used for project expenditure in Nicaragua; none of it is

spent on administration or other support costs. Our general fund holds enough short term reserves to last for at least three months.

One of our main fundraising tools is the SIFT Gifts catalogue, which we send out to our supporters prior to Christmas. The catalogue contains specific gifts that can be bought for the poor in Nicaragua, such as medicines for children. There is also an online version of the catalogue on the SIFT website, enabling these gifts to be bought throughout the year. The catalogue raised a total of £1,855, of which £1,785 was for medical gifts.

Graham Knight, SIFT's Executive Officer, did a 118 mile sponsored walk along the Wales Coast Path, from Swansea to Chepstow, to raise funds for the medical work. This sponsored event was well supported by friends of SIFT across the UK, in particular from Crossroad Church in Seaton, and raised a total of £2,304.

Structure, Governance and Management

Structure

SIFT is a Christian development charity which is non-governmental and apolitical. It is constituted under a trust deed dated 10th October 2002 and is registered with the Charity Commission (registration number 1094193). The Trust Deed requires that there are a minimum of three Trustees but there is no maximum.

New Trustees are chosen by the existing Board on the basis of the qualifications and experience that they can bring to the charity. The Chair of Trustees is responsible for the induction of new Trustees, giving them a firm grounding in the responsibilities of the role and an introduction to the history and ethos of SIFT. The names of the Trustees appear on the last page of this report.

Staff and Volunteers

Graham Knight is employed for four days a week as SIFT's Executive Officer, working at the charity's office in Seaton, Devon. He has responsibility for the day-to-day administration of the charity, which includes general administration, accounting, maintenance of SIFT's website and administration of SIFT's sponsorship schemes. He also submits applications to UK grant-making trusts, seeking funds for SIFT's medical work on the island of Ometepe. Each October he travels to Nicaragua to help administer SIFT's sponsorship schemes and to collect information and photos for promotional materials.

Dr Sandra Villagra is contracted by SIFT to provide a medical service on the island of Ometepe. She leads a team of two nurses who serve alongside her in the clinics. Dr Sandra lives in Nicaragua's capital city, Managua, but commutes to the island of Ometepe every other week. On those weeks when Dr Sandra is not on the island the nurses can still contact her by phone with any medical queries. When she is in Managua Dr Sandra purchases medicines for the clinic pharmacies. Her work also involves liaising with the Nicaraguan Ministry of Health at a local and regional level.

Dr Sandra has continued her role representing SIFT before various Nicaraguan government departments, and we appreciate her dedication to this role especially during this year that has seen her face personal health issues. We are also grateful to Yessenia Rosales and Rigoberto Solis who have provided us with valuable legal and accounting services respectively.

SIFT is very grateful for the continued involvement of Margaret Storey and Ruth Ward in the education sponsorship scheme. Ruth assists the office in the production of the annual reports for our education sponsors. Margaret lives in Bluefields for six months each year, administering the sponsorship scheme on the ground and providing pastoral support to the children and their families.

Report of the Trustees

Management

SIFT's Trustees are responsible for setting the strategy and direction for the charity, in the form of a regularly reviewed Strategic Plan. The Strategic Plan documents the mission, strategy and values of the charity and for each major project details the objectives and resources. This document underpins the annual budgetary process. In setting the Strategic Plan and in planning all of the charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit.

The Trustees are also responsible for assessing the risks associated with SIFT's current activities, both in Nicaragua and in the UK. These risks and their mitigating actions are recorded in a Risk Assessment document which is kept under review by the Trustees. The main risks are considered to be the potential for fraud, especially in Nicaragua, and the risk of accident or injury to staff and volunteers involved with SIFT's work in Nicaragua.

SIFT has a Data Protection policy, Reserves policy and Fundraising Complaints policy, as well as a comprehensive Safeguarding policy for our work with children and vulnerable adults. In addition, all contact with SIFT's supporters, including the storage of their personal data, is carried out in accordance with GDPR legislation.

Finally the Trustees are responsible for the financial well-being of the charity, ensuring that its funds are appropriately used to fulfil the charity's objectives and serve the poor of Nicaragua. We continue to do all this to the honour and glory of God.

Approved by the Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'FB' followed by a long, horizontal, slightly wavy line.

Freja Brown
Chair of SIFT Board of Trustees

Date: 27th June 2025

Independent Accountant's Report

Seed International Fund Trust

For the Year Ended 31 August 2024

Respective Responsibilities of Trustees and Examiner

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

It is my responsibility to:

- examine the accounts (under section 43 of the Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 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 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 explanation from the 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 accounts.

Independent Examiner's Statement

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

- 1 which gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the Act); **and**
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; **or**
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Vineta Cable FCCA
HAMMETT ASSOCIATES
8-10 Queen Street
Seaton
Devon
EX12 2NY

Date: 29.6.25

Statement of Financial Affairs

For the Year Ended 31 August 2024

	Note	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Income and endowments from:					
Donations and legacies	2	22,644	62,983	85,627	109,522
Charitable activities	3	-	2,304	2,304	2,576
Other trading activities		-	-	-	-
Investments	4	-	-	-	-
Other		-	-	-	-
Total		22,644	65,287	87,931	112,098
Expenditure on:					
Raising funds	5	7,068	5,700	12,768	13,682
Charitable activities	6	16,791	67,341	84,132	91,239
Other		-	-	-	-
Total		23,859	73,041	96,900	104,921
Other recognised gains / (losses):					
Gains / (losses) on disposal of fixed assets		-	-	-	(13,504)
Net income / (expenditure)		(1,215)	(7,754)	(8,969)	(6,327)
Transfers between funds		-	-	-	-
Net movement in funds		(1,215)	(7,754)	(8,969)	(6,327)
Reconciliation of funds:					
Total funds brought forward		114,890	87,278	202,168	208,495
Total funds carried forward		113,675	79,524	193,199	202,168

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

Balance Sheet

At 31 August 2024

		31-Aug-24		31-Aug-23	
	Notes	£	£	£	£
Fixed Assets:					
Tangible Assets	7		114,199		115,634
Current Assets:					
Debtors	8	9,038		9,530	
Cash at Bank and in hand		70,517		77,872	
		<u>79,555</u>		<u>87,402</u>	
Creditors:					
Amounts falling due within one year	9	(555)		(868)	
Net Current Assets			79,000		86,534
Creditors:					
Amounts falling due after more than one year			-		-
Net Assets			<u>193,199</u>		<u>202,168</u>
Funds					
Restricted Funds	10		79,524		87,278
Unrestricted Funds: General Reserves			39,122		40,337
			<u>118,646</u>		<u>127,615</u>
Revaluation Reserve	11		74,553		74,553
			<u>193,199</u>		<u>202,168</u>

Approved by the Board of Trustees:



Freja Brown

Date: 27th June 2025

Statement of Cash Flows

For the Year Ended 31 August 2024

	2024 Total funds £	2023 Total funds £
Net income/(expenditure) for the period (as per the statement of financial activities)	(8,969)	(6,327)
Adjustments for:		
Depreciation charges	1,435	1,435
Loss/(profit) on the disposal of fixed assets	-	13,504
Interest income	-	-
(Increase)/decrease in debtors	492	(2,439)
Increase/(decrease) in creditors	(313)	(6,806)
Net cash provided by (used in) operating activities	<u>(7,355)</u>	<u>(633)</u>
Cash flows from investing activities:		
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	-
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities:		
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Receipt of endowment	-	-
Net cash provided by (used in) financing activities	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the period	(7,355)	(633)
Cash and cash equivalents at the beginning of the period	77,872	78,505
Cash and cash equivalents at the end of the period	<u>70,517</u>	<u>77,872</u>
Analysis of cash and cash equivalents:		
Cash in hand	70,517	77,872
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	<u>70,517</u>	<u>77,872</u>

Notes to the Financial Statements

For the Year Ended 31 August 2024

1. Principal Accounting Policies

(a) Accounting Convention

The financial statements are prepared under the historical cost convention. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice “Accounting and Reporting by Charities” SORP (FRS102) issued in September 2019.

(b) Incoming Resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

(c) Resources Expended and Basis of Allocation of Costs

Expenditure is recognised when a liability is incurred. The majority of costs are directly attributable to specific activities.

Costs of generating funds are those costs incurred in attracting voluntary income.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating travel costs and repairs, renewals and maintenance by location in the UK or in Nicaragua, payroll and administration costs by the time spent on different activities and publicity costs solely by income generation activities.

A significant proportion of the charity’s support costs, as disclosed in note 15, relate to and directly affect charitable activities undertaken in Nicaragua.

(d) Publicity Costs

Publicity costs consist of expenditure relating to printing and reproduction and related photography expenditure.

(e) Administration and Office Expenditure

Administration expenditure consists of all office costs and related small equipment expenditure.

(f) Repairs, renewals and maintenance

Use of a suitable office for the charity has been obtained at a peppercorn monthly rental of £1. Repairs and renewals expenditure relates to the costs involved in refurbishing the office to enable administrative use for the charity. In addition this category includes maintenance costs for a motor vehicle in Nicaragua.

(g) Capitalisation and Depreciation of Tangible Fixed Assets

All assets costing more than £1,000 are capitalised. Motor vehicles are recorded at cost and are depreciated at a rate of 50% per annum on the reducing balance. No depreciation is provided on land costs and buildings are depreciated over 50 years when completely built; no depreciation is charged in the year of acquisition / addition, and a full year’s depreciation in the year of disposal.

(h) Funds Accounting

Funds held by the charity are:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

(i) Foreign Currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

Notes to the Financial Statements

For the Year Ended 31 August 2024

2. Donations, legacies and similar incoming resources

	Unrestricted Funds	Restricted Funds	2024	Unrestricted Funds	Restricted Funds	2023
	£	£	£	£	£	£
Committed giving	8,829	44,996	53,825	9,164	48,880	58,044
One-off gifts	4,840	8,760	13,600	5,623	4,416	10,039
Grants from organisations	-	9,227	9,227	500	2,485	2,985
Legacies	-	-	-	21,015	8,000	29,015
Gift Aid recoverable tax income	8,975	-	8,975	9,439	-	9,439
	22,644	62,983	85,627	45,741	63,781	109,522

3. Income from charitable activities

	Unrestricted Funds	Restricted Funds	2024	Unrestricted Funds	Restricted Funds	2023
	£	£	£	£	£	£
Fundraising events	-	2,304	2,304	-	2,576	2,576
	-	2,304	2,304	-	2,576	2,576

4. Investment income and interest

	Unrestricted Funds	Restricted Funds	2024	Unrestricted Funds	Restricted Funds	2023
	£	£	£	£	£	£
Bank interest received	-	-	-	-	-	-

5. Expenditure on raising funds

	Unrestricted Funds	Restricted Funds	2024	Unrestricted Funds	Restricted Funds	2023
	£	£	£	£	£	£
Donations, legacies and similar incoming resources:						
Support costs allocated	7,068	5,700	12,768	7,982	5,700	13,682

6. Details of charitable activities

The amount spent on charitable activities, including support costs, is analysed by project area as follows:

	Unrestricted funds					Restricted funds					2023		
	Operational projects	Support costs	Total	Operational projects	Support costs	Total restricted	2024 Total	Unrestricted	Restricted	Total	£	£	£
Hogar de Fe ministry	-	-	-	9,833	-	9,833	9,833	-	8,531	8,531	-	-	-
Sponsored children's education	-	-	-	17,094	-	17,094	17,094	234	22,598	22,832	-	-	-
Other education projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Christian Vocational Centre	-	-	-	-	-	-	-	-	-	-	-	-	-
Islands community development	-	-	-	11,603	-	11,603	11,603	-	2,535	2,535	-	-	-
Children's feeding programme	412	522	934	-	-	-	934	741	-	741	-	-	-
SIFT Gifts expenditure	-	-	-	241	-	241	241	-	285	285	-	-	-
Supporting churches	24	30	54	-	-	-	54	44	-	44	-	-	-
Medical and clinic expenditure	1,516	1,921	3,437	28,570	-	28,570	32,007	2,544	36,509	39,053	-	-	-
Cookers project	-	-	-	-	-	-	-	-	-	-	-	-	-
Other building projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Casa Rahab	-	-	-	-	-	-	-	-	-	-	-	-	-
Project administration in Nicaragua	5,446	6,899	12,345	-	-	-	12,345	17,158	-	17,158	-	-	-
	7,398	9,372	16,770	67,341	-	67,341	84,111	20,721	70,458	91,179			
Discretionary gifts in Nicaragua	17	4	21	-	-	-	21	60	-	60			

Notes to the Financial Statements

For the Year Ended 31 August 2024

7. Tangible fixed assets

	Land	Buildings	Motor vehicles	Total
Cost	£	£	£	£
At 1 September 2023	57,653	74,553	9,571	141,777
Additions - Revaluation	-	-	-	-
Disposals	-	-	-	-
At 31 August 2024	57,653	74,553	9,571	141,777
Accumulated depreciation				
At 1 September 2023	-	16,572	9,571	26,143
Charge for year	-	1,435	-	1,435
Disposals	-	-	-	-
At 31 August 2024	-	18,007	9,571	27,578
Net book value				
At 31 August 2024	57,653	56,546	-	114,199
At 31 August 2023	57,653	57,981	-	115,634

£28,508 of the tangible fixed assets relate to restricted funds (Islands) and £85,691 relate to unrestricted funds.

8. Debtors

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Gift Aid debtor - HMRC	8,841	-	8,841	9,350
Bank interest receivable	-	-	-	-
Prepayments	197	-	197	180
	9,038	-	9,038	9,530

9. Creditors falling due within one year

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Accruals	555	-	555	868
Loan from donor	-	-	-	-
	555	-	555	868

10. Restricted funds

	Balance at 1 Sept 2023	Incoming resources	Transfer from unrestricted funds	Programme expenditure	Balance at 31 Aug 2024
	£	£	£	£	£
Islands	45,508	2,000	-	(11,603)	35,905
Orphanage	6,103	6,869	-	(9,833)	3,139
Child Sponsorship	25,348	19,950	-	(17,094)	28,204
Team Support	349	5,880	-	(5,700)	529
SIFT Gifts	171	70	-	(241)	-
Medical	9,799	30,518	-	(28,570)	11,747
	<u>87,278</u>	<u>65,287</u>	<u>-</u>	<u>(73,041)</u>	<u>79,524</u>

Most restricted funds are for specific humanitarian, education or health projects in Nicaragua. These projects include development programmes to provide long-term sustainable benefits for a community, including health and nutrition, education projects and miscellaneous SIFT Gifts for smaller specific purposes.

11. Revaluation reserve

	Unrestricted £	Restricted £	2024 £	2023 £
Buildings	<u>74,553</u>	<u>-</u>	<u>74,553</u>	<u>74,553</u>

Legal ownership of the Ometepe clinic buildings by SIFT was established during 2012-13 and updated valuations were obtained during 2014-15.

12. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Unrestricted £	Restricted £	2024 £	2023 £
Salaries and wages	8,872	5,700	14,572	14,572
Social security costs	-	-	-	-
Pension costs	253	-	253	253
	<u>9,125</u>	<u>5,700</u>	<u>14,825</u>	<u>14,825</u>

No employees had employee benefits in excess of £60,000 (2023: £ nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment with the Trust in the period (2023: £ nil). During the period no Trustees were reimbursed for travel and admin expenses (2023: £ nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £ nil).

The key management personnel of the Trust comprise the board of trustees. There are no further staff benefits than those included in the table above, and these relate to the office staff only.

Notes to the Financial Statements

For the Year Ended 31 August 2024

13. Trustees' donations

Aggregate donations from the Trustees to the charity for the period were £1,325.10, including Gift Aid of £265.02 (2023: £1,168.09, including Gift Aid of £233.62).

14. Staff numbers

The average monthly head count was 1 staff (2023: 1 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2024	2023
Fundraising	-	-
Office administration and charitable activities (UK)	1	1
Office administration and charitable activities (Nicaragua)	-	-
	<u>1</u>	<u>1</u>

15. Support costs

The support costs of the charity consisted of five main elements: travel, payroll, administration and office, publicity, and repairs, renewals and maintenance. The costs have been apportioned across the work of the charity on the basis disclosed in note 1(c) and allocated to each of the charity's activities as set out in the table below.

	Travel	Payroll	Administration and office expenditure	Publicity	Repairs, renewals and maintenance	2024 Total	2023 Total
	£	£	£	£	£	£	£
Basis of apportionment	(Activity type)	(Activity type)	(Activity type)	(All income generation)	(Location)		
Charitable activities							
Operational projects in Nicaragua	3,099	4,940	1,333	-	-	9,372	9,032
Discretionary gifts in Nicaragua	1	2	1	-	-	4	6
	<u>3,100</u>	<u>4,942</u>	<u>1,334</u>	<u>-</u>	<u>-</u>	<u>9,376</u>	<u>9,038</u>
Income generation							
Donations and legacies	-	9,389	2,536	205	-	12,130	12,998
Gift Aid recoverable tax income	-	494	133	11	-	638	684
	<u>-</u>	<u>9,883</u>	<u>2,669</u>	<u>216</u>	<u>-</u>	<u>12,768</u>	<u>13,682</u>
Total costs allocated	<u>3,100</u>	<u>14,825</u>	<u>4,003</u>	<u>216</u>	<u>-</u>	<u>22,144</u>	<u>22,720</u>

Charity Information

Trustees

Freja Joy Brown BA (Hons) MArchD
David Joseph Langmead BA
Matthew James Farrer BA (Hons) DipArch ARB
Mark Catley FRICS FAAV (*died 11th February 2025*)
Anthony John Langmead (*died 5th September 2024*)

Patron

Andrew Selous

Registered Office

1 Harepath Road
SEATON
Devon
EX12 2RP

Charity Number

1094193

Independent Examiners

Hammett Associates
8-10 Queen Street
SEATON
Devon
EX12 2NY

Bank

Lloyds Bank
The Square
SEATON
Devon
EX12 2QH



1 Harepath Road, Seaton,
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Registered Charity 1094193

SEED INTERNATIONAL FUND TRUST

England & Wales - Charity number 1094193

Accounts



Annual Report & Accounts 2022 - 2023



*Sowing seeds of hope
in Nicaragua*

Foreword by SIFT's Patron

Andrew Selous MP



Andrew Selous MP

The situation in Nicaragua during the scope of this annual report was fractious to say the least. In the previous twelve months around 50 international charities lost their NGO status within the country but during this particular period 1,545 charities also ceased to be NGOs. Sadly in the November, SIFT came into this swathe of humanitarian organisations who had their NGO status revoked by the Nicaraguan Government. We were devastated, particularly as we had, by your superhuman giving over more than 20 years, given around £2 million to a country which is so poor in so many areas. We had never sought to meddle in its politics and only ever gave humanitarian aid to the people we so love.

Amazingly, the charity is still able to operate in Nicaragua and is financially stable thanks to all your sacrificial giving and to fundraisers, particularly Graham Knight, our Executive Officer, who has walked many miles around the coast of Wales since the Covid strictures.

As ever I am grateful for Dr Sandra Villagra and the nurses on Ometepe for their exuberant work in all its forms and for keeping the health of islanders of Ometepe in check, and for Margaret Storey who has been stoic in her wonderful efforts in Bluefields. I am so thankful for her humour and tenacity in working with students and vulnerable families and keeping reports up-to-date.

I extend a big 'thank you' to all those behind the scenes who keep the charity going: Ruth Ward, who communicates with sponsors and distributes reports. All the trustees who, so faithfully, keep a hand on the tiller to ensure things run smoothly. Dr Sandra, who liaises with Nicaraguan government departments, in addition to her medical work – what a blessing she is. And, of course, Graham Knight, as Executive Officer, who not only goes out each year to Nicaragua but also keeps all the charity's administration working.

I am grateful to all of you who support SIFT so faithfully and am thankful to God for his grace and mercy in difficult times.

May God's peace be with you all.

Andrew Selous

Contents

About Nicaragua	Page 3
Report of the Trustees	Page 4
Charity Information	Page 12
Independent Accountant's Report	Page 13
Statement of Financial Affairs	Page 14
Balance Sheet	Page 15
Statement of Cash Flows	Page 16
Notes to the Financial Statements	Page 17

Official portrait of Andrew Selous: © Chris McAndrew / CC BY
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About Nicaragua

Nicaragua has a population of 6.9 million and is the second poorest country in the Americas after Haiti. The most recent independent survey of Nicaraguan households, carried out in 2019, found 44% of the population living below the poverty line, with 8.9% living in extreme poverty. These figures increased significantly in rural communities, where 63% of the population are below the poverty line and 17.4% live in extreme poverty. A number of different factors contribute towards extreme poverty, with the most significant being economic dependence, overcrowded homes and a lack of access to basic services.

In contrast to many countries, the Nicaraguan government aimed to keep the country open for business during the pandemic and consequently did not enforce any national lockdowns. A programme of vaccinations was rolled out across the country and, by the end of August 2023, 88% of the population had been fully vaccinated against Covid-19².



Following a number of years of economic contraction, due to national unrest and then the coronavirus pandemic, the Nicaraguan Central Bank reported an increase in national GDP of 3.8% in 2022³. Whilst this is an encouraging sign for the country as a whole, ordinary Nicaraguans are continuing to experience high levels of inflation, which reached 11.6% in 2022. In response to the political and economic situation in Nicaragua, many Nicaraguans are choosing to emigrate to other countries in the region, such as Costa Rica and the United States.

At a national level in Nicaragua there are only 7 physicians for every 10,000 people, compared to 32 physicians for every 10,000 people in the UK⁴. Almost half of all health centres lack a water supply, and 35% of rural health centres do not have a reliable electricity source.⁶ The rural population face particular challenges in the area of health: 82% of rural families cook on open wood fires (which can lead to respiratory diseases), 37% of children from these communities are undernourished, and 70% of maternal deaths occur in rural areas⁶. Maternal deaths include women who die whilst pregnant or within 6 weeks of being pregnant.

The latest UNDP update for Nicaragua recognises that Nicaraguan children have far better access to education than their parents did. A child beginning school this year is anticipated to spend 12.6 years in education, whereas the average Nicaraguan aged 25 years or older only spent 7.1 years in education.⁵ Whilst attendance at primary school is compulsory, primary attendance rates are only 87%. Secondary school attendance rates drop to 66% for girls and 64% for boys, and only 15% of teenagers go on to study at university. This reflects the fact that young people often need to choose between continuing with their education and finding work in order to financially support their families.

SIFT is working to bring hope and security to the poor of Nicaragua through projects in the areas of health, education and housing. Our projects are based on the island of Ometepe, in the town of Bluefields, and in the localities of Managua and Granada.

(1) People living below the poverty line live on less than \$2.30 per day and those in extreme poverty live on less than \$1.15 per day.

(2) Global Change Data Lab. 2021. *Coronavirus (COVID-19) Vaccinations – Our World in Data* [Online]. Available at <https://ourworldindata.org/covid-vaccinations?country=NIC>

(3) BCN. 2023. *Informe Anual 2022* [Online]. Available at <https://www.bcn.gob.ni/sites/default/files/Informe%20Anual%202022.pdf>

(4) World Bank. 2023. *Physicians (per 1,000 people)* [Online]. Available at <https://data.worldbank.org/indicator/SH.MED.PHYS.ZS>

(5) UNDP. 2022. *Human Development Report 2021/22* [Online]. New York: UNDP. Available at: <https://hdr.undp.org/content/human-development-report-2021-22>

(6) Sequeira M, Espinoza H, Amador JJ, Domingo G, Quintanilla M, and de los Santos T. 2011. *The Nicaraguan Health System* [Online]. Seattle, Washington: PATH. Available at: <https://media.path.org/documents/TS-nicaragua-health-system-rpt.pdf>

Report of the Trustees

Mission, Objectives, Strategy and Activities

Mission

SIFT's mission is to transform the lives of the poor in Nicaragua by focussed activity in specific areas and communities of need.

Objectives

The Trustees hold the trust fund and its income upon trust to apply them for the following objectives:

1. To relieve poverty.
2. To advance the Christian religion.
3. To facilitate the protection and preservation of good health.
4. To facilitate education.

Strategy

SIFT's overall strategy to satisfy these charitable objectives is:

To use SIFT funds and resources to help to draw Nicaraguans out of material and spiritual poverty, by supporting indigenous individuals, groups or Churches in projects to benefit the poor.

Activities

Throughout the year SIFT has worked with beneficiaries and indigenous organisations, including local government and NGOs, to assess needs and to ensure solutions are developed and implemented which will be of sustainable public benefit. Our main activities for this year to fulfil the objectives were:

- Providing primary healthcare on the island of Ometepe.
- Sponsoring the education of children and young people in Bluefields.
- Supporting a children's ministry near Managua.
- Progressing options to re-house poor and displaced islander families on the Asese Peninsula.
- Supporting a children's Feeding Programme on the island of Ometepe.

Details of these activities and achievements this year appear in the following pages.

NGO status

During 2021 and 2022 the Nicaraguan government closed many foreign and religious NGOs as part of an effort to consolidate their power. In 2021 just over 50 organisations lost their NGO status but in 2022 over 1,500 NGOs, including SIFT, suffered this fate. Sadly this clampdown has had the effect of depriving many of the poorest Nicaraguans of access to valuable social aid programmes.

Following the revocation of SIFT's NGO status in November 2022 the Trustees met to discuss the way ahead and reaffirmed their commitment to serving the poor of Nicaragua. Our team members, both in the UK and Nicaragua, developed new working practices that would enable us to provide the same outcomes for our beneficiaries in Nicaragua, but without the official recognition of being an NGO. We are especially grateful to Dr Sandra Villagra, our representative in Nicaragua, and Yessenia Rosales, our lawyer, whose wisdom and determination have enabled us to navigate this difficult time and continue fulfilling our mission in Nicaragua.

Activities, Achievements and Performance

Health

SIFT has been providing primary healthcare to the people of Ometepe island since 2005, with this medical provision being led by Dr Sandra Villagra. The island of Ometepe, in Lake Nicaragua, is home to around 35,000 people, with around 39% of the population living in extreme poverty. The island has limited state-funded health facilities and these tend to be based in the main towns. Whilst consultations are free at these health centres, patients have to pay for their medicines, putting treatment out of the reach of the most vulnerable in society.

SIFT provides primary healthcare to the people of Ometepe at our clinics in the communities of Las Pilas and El Corozal. They are staffed by Dr Sandra Villagra and a team of four local nurses. Two of our nurses, Gretty and Aleida, have graduated from university with a professional nursing qualification, which allows them to hold consultations and dispense medicines when Dr Sandra is not at the clinic.

Patients attending a SIFT clinic only have to pay a small, affordable, consultation fee, but all medicines are prescribed free of charge. Patients who cannot afford the consultation fee have it waived, as we do not want a lack of money to prevent someone from receiving the treatment that they need. This has been particularly important this year owing to the high rate of inflation in Nicaragua.



*Dr Sandra with a young patient
at Las Pilas clinic*

In order to keep people safe in the aftermath of the coronavirus pandemic, our medical team continue to wear face masks when treating their patients. When taking patient's vital signs, our nurses use infrared thermometers and fingertip pulse oximeters in order to minimise contact between the nurses and patients. Patients have also been encouraged to keep wear masks when attending the clinics, to maintain social distancing and to wash their hands on arrival.

At the start of this year we were pleased to be able to donate our clinic building in the town of San José del Sur to the Nicaraguan Ministry of Health, MINSA. This is in line with the charity's original vision for the clinics, which was for them to be handed over to MINSA once MINSA had sufficient capacity to adequately run them. SIFT's nurses that were working at the San José del Sur clinic were transferred to work at our other clinics in Las Pilas and El Corozal.

Our nurses recognise the value of education in improving the general health of the community and so they teach their patients practical ways to live healthy lives through talks and posters around the clinics. When there is an outbreak of a specific disease on Ometepe, such as dengue fever or coronavirus, the talks focus on ways to avoid contracting it and how to recognise its symptoms. The talks also cover general health topics, such as personal hygiene and good nutrition.

Whilst patients are waiting for their appointments, our nurses are available to provide them with a listening ear, advice and pastoral care. Often they find that a patient needs to talk through a situation that they are facing in their personal life, in addition to the medical condition that they are presenting. Patients appreciate being able to share their concerns with our nurses, and often request prayer for the situations that they are facing.

Following the revocation of SIFT's NGO status in Nicaragua, Dr Sandra met with the Nicaraguan Ministry of Health on Ometepe in order to ensure that a medical service could continue to be provided to the people of the island. Thanks to the good relationship that Dr Sandra has built with the Ministry of Health over many years, at both a local and national level, she was given the authorisation to open a private clinic on Ometepe. She was also given the permission to continue to use the clinic buildings in the villages of Las Pilas and El Corozal for this work. SIFT will fund this work

Report of the Trustees

from the UK, meaning that patients will be able to receive the same level of affordable care as they have done in previous years.

As part of this change-over process, we were required to pay our nurses severance payments, and three of them (Gretty, Aleida and Adelita) have opted to continue working with Sandra. The final nurse, Narcissa, decided that it was the right time for her to take retirement, as she has worked in the clinics since the beginning of our medical work on Ometepe. We are grateful for Narcissa's faithful service, and wish her well in her retirement. We are also extremely grateful for Dr Sandra's hard work and determination, which has enabled us to continue providing this valuable service to the people of Ometepe.

Around half of the income for our health clinics comes from our supporters in the form of regular monthly donations. Many of the people who give to SIFT in this way do so through one of our medical sponsorship schemes, paying a suggested monthly donation of £15 to support either Dr Sandra or one of our nurses.

Finca El Rayo - Asese Peninsula

The city of Granada, on the north-western shore of Lake Nicaragua, is one of the main cities in Nicaragua. Just outside the city lies the three-mile long Asese Peninsula which is surrounded by hundreds of small islands, known collectively as Las Isletas de Granada (the Little Islands of Granada). Many of these islands are inhabited, but these poor families do not have legal ownership of the land that they have lived on for generations.

As Granada is a popular tourist destination, and the Asese peninsula is a particularly beautiful area, some of the islands have been bought and developed into eco-tourist resorts, restaurants or holiday homes. This has left many islander families facing the prospect of being evicted from their homes at short notice, with only minimal compensation being awarded to them. Due to their limited financial resources, a family evicted from their island home might end up having to live in the slums of Granada.

Some of the new owners of the islands have allowed families to remain on their islands as caretakers, but this is only a temporary arrangement, offering the families little in the way of long-term security.

SIFT has bought a plot of land on the Asese peninsula, called Finca El Rayo, which we are planning to use to provide up to 50 islander families who are facing eviction from their islands with a permanent place to live. Since many families in this area rely on fishing to feed their families and to bring in a small income, having a plot of land with lake access is essential to enable them to continue with their traditional way of life. We will be giving the families legal ownership of their plots of land so that they can have security for the future.



Members of the beneficiary committee for Finca El Rayo

A full environmental impact assessment has been carried out and flood defences have been constructed to prevent flooding of the housing area even when water levels in Lake Nicaragua are exceptionally high. A committee of the beneficiaries has also been established to deal with the practical and social issues that may occur during the formation of the new community.

The next stage of the project involves transferring the legal ownership of the individual plots of land to the beneficiary families. Unfortunately the legal steps involved in this process have taken much longer than we expected, but we hope that all the necessary paperwork will be put in place during the coming year so that we can give the families their plots of land and the security that they so desperately need.

Education Sponsorship

SIFT's involvement in Nicaragua was initially motivated by a request for help with the costs of schooling from a child living in the town of Bluefields, on the Caribbean coast of Nicaragua. Bluefields has a population of around 40,000 people but suffers from high levels of unemployment and underemployment. Many poorer families rely on finding occasional temporary labour to meet their financial needs, but this is not a stable source of income. In a situation such as this, having a good education and being able to find a well-paid job – possibly in another part of the country or abroad – can transform a family's future.

Nicaraguan state schools have been free to attend since 2007, which has made it easier for children from all backgrounds to receive a basic education. However these schools tend to be under-resourced, with large class sizes, which affects the quality of education that the children receive. For those families that can afford it, attending a fee-paying school provides their children with a better standard of education, but this opportunity is out of the reach of the poorest in society.

SIFT's education sponsorship scheme enables children from disadvantaged families in Bluefields to attend fee-paying schools where they will receive a good standard of education. We pay their school fees, removing this financial burden from their parents, so that they are able to complete their primary and secondary education. If a child wishes to continue their studies at one of the two universities in Bluefields then we will also fund the costs of their course and university supplies. All of the schools that our sponsored children attend are affiliated with churches and so the children receive a Christian education in addition to the standard curriculum. Of the 107 children that we sponsor in Bluefields, 43 attend primary school, 48 attend secondary school and 16 are university students.

The progress of our sponsored students' education is monitored by our voluntary field worker, Margaret Storey, who lives in Bluefields from March to September each year. Margaret visits all of the schools on a monthly basis and informs the UK office if a child has left school or is experiencing difficulties in their education. She also stays in contact with our university students, providing them with funds for their studies as needed during the year. We are extremely grateful for Margaret's tireless service in Bluefields, which goes beyond the administration of the sponsorship scheme to providing timely pastoral and practical support to the children and their families.

We are also very grateful to our sponsors who regularly donate to the education sponsorship fund. Each sponsor receives an annual update for their sponsored child, which includes a recent photograph and news about their child's progress. The annual updates are written by Margaret Storey during her time in the UK and we are grateful to Ruth Ward who assists in sending the updates out to sponsors. During the year Ruth also liaises with sponsors if there are changes to their child's situation.

Hogar de Fe Children's Ministry

The Hogar de Fe (Home of Faith) orphanage was founded in 1992 by Pastor Ramiro Blandón and his wife Conchita after a baby was abandoned on their doorstep. The orphanage is situated in the town of Los Brasiles, near to Managua, and for over thirty years it has provided a loving home to children and young people. In recent years the running of the ministry has been handed over to Ramiro's son, Isaac, and a team of local Christians.



One of SIFT's sponsored students at school

Report of the Trustees



*Isaac Blandón and
Pastor Ramiro Blandón*

The children who lived at Hogar de Fe came from troubled backgrounds; some of them were full orphans and others were not able to be supported by their families. Regardless of their past, they were welcomed into a loving Christian family at Hogar de Fe and given every opportunity to develop to their full potential.

The neighbouring Josue 1:8 school is also administered by members of Ramiro Blandón's family and has around 525 students attending. It is a very popular and well-resourced school, providing primary classes in the mornings and secondary classes in the afternoons.

Sadly, last year, the organisation that provided the majority of the budget to run Hogar de Fe changed its funding priorities in Nicaragua and withdrew its support from the orphanage. This left SIFT and a few American individuals as the only funding partners for Hogar de Fe. As a result Isaac had to restructure the orphanage's activities to cope with a significantly reduced operating budget.

The team initially attended six of the older teenagers, providing them with a place to live, food and hygiene materials, and support to enable them to continue with their schooling. The other children who were living at Hogar de Fe either returned to their extended families in Los Brasiles or went to live at other children's homes run by the state. The team have remained in contact with the children and young people to provide them with pastoral support, and see many of them at Pastor Ramiro's church each Sunday.

During this year, the teenagers reached the point where they could live independently, and so Isaac and the team decided to use the resources of Hogar de Fe to provide children with access to education. They have started giving full scholarships to deserving children from poor backgrounds so that they can attend the Josue 1:8 school. At present they are giving scholarships to 29 children (13 in primary school and 16 in secondary school), and Isaac hopes to be able to expand this ministry to 40 children next year. SIFT will continue to stand alongside Hogar de Fe during this time of change for their ministry, as they seek to serve the most needy in their society.

Feeding Programme

Receiving good nutrition in the early years of childhood is an essential part of a child's development, affecting both their physical growth and their performance at school. Sadly, the economic situation faced by many families living in rural areas of Nicaragua means that they struggle to provide their children with a balanced diet full of the nutrients needed for healthy development. The typical diet for such a family consists of rice, beans and maize, supplemented by small amounts of meat, fish and vegetables.

Julita Alemán was involved with Christian work on the island of Ometepe for the final 47 years of her life. She became concerned that the diet of local children was lacking many of the vitamins that they needed, and so she set up a feeding programme for them at her home in the village of Urbaite. Sadly Julita passed away in 2020, but the ministry of the feeding programme continues to meet in the grounds of her house, run by a group of local Christians and led by Maxnomara (Max) Potoy.

Twice a week, on Monday and Friday afternoons, around 30 children and their parents attend the feeding programme. As the children arrive the team members, which include an educational assistant, provide them with help for their schoolwork and age-appropriate lessons in key skills such as writing and maths.

Once all of the children have arrived, Max leads the children in singing some Christian songs and tells them a story from the Bible. The children enjoy choosing their favourite songs and joining in with the

actions. Following their activities the children are given a glass of high-vitamin milk and, on some occasions, some items of food such as fortified rice. SIFT is pleased to be able to support the feeding programme by providing them with the funds needed to purchase the high-vitamin milk.

One of the team members who works alongside Max is a trained psychologist, and another is a physiotherapist. On three occasions each week they run free sessions for those children who would benefit from their services.

We are encouraged to see the ministry of the feeding programme care for the children in a holistic manner, and continue Julita's legacy of love to the children of her community.



Children receiving their milk at the Feeding Programme

Financial Review

SIFT relies upon the generosity of our supporters in the UK to be able to continue serving the poor of Nicaragua. We would like to express our gratitude to the many individuals, churches and trusts in the UK who have donated to SIFT over the past year.

Our overall income for the year was 1% lower than last year. Whilst we experienced a reduction in the level of one-off gifts and grants that we received from trusts, this was balanced by the receipt of a generous legacy from one of our long-term supporters.

Most people who support SIFT on a regular basis give towards a particular project, such as support our medical work or sponsoring a child's education, but we do also have some regular unrestricted income. Whilst regular giving formed 52% of our income this year, we are conscious of the need to increase the overall proportion of our income that comes from regular donations in order to give financial security to our ongoing projects.

We encourage donations to be Gift Aided wherever this is possible, and use money received from Gift Aid claims for administrative costs and staff salaries. This year money received from Gift Aid claims formed 8% of our total income.

All of our operational expenditure in Nicaragua is in dollars, and so continues to be affected by the low value of sterling with respect to the dollar. We have continued to focus our fundraising activities on the medical work to ensure that we are able to continue supporting this vital project. Our support costs this year formed 22% of our total expenditure. We aim to keep our UK and Nicaragua support operations as efficient and cost effective as possible, in order to maximise the funds that are available for projects in Nicaragua.

We operate a number of restricted funds to ring-fence funds for projects such as our medical work and our education sponsorship scheme. We do not use any of the money in these funds for administration or UK costs, but instead use it for project expenditure in Nicaragua. Our general account holds enough short term reserves to last for at least three months.

One of our usual fundraising tools is the SIFT Gifts catalogue, which we send out to our supporters prior to Christmas. This contains specific gifts that can be bought for the poor in Nicaragua, such as medicines for children. There is also an online version of the catalogue on the SIFT website, enabling these gifts to be bought throughout the year. Due to the temporary uncertainty over SIFT's work in Nicaragua due to the revocation of our NGO status, we did not send the paper version of the catalogue to our supporters this year, but we aim to resume this for Christmas 2023.

Graham Knight, SIFT's Executive Officer, did a 123 mile sponsored walk along the Wales Coast Path, from Amroth to Swansea, to raise funds for the medical work. This sponsored event was well

Report of the Trustees

supported by friends of SIFT across the UK, in particular from Crossroad Church in Seaton, and raised a total of £2,576.

Structure, Governance and Management

Structure

SIFT is a Christian development charity which is non-governmental and apolitical. It is constituted under a trust deed dated 10th October 2002 and is registered with the Charity Commission (registration number 1094193). The Trust Deed requires that there are a minimum of three Trustees but there is no maximum.

New Trustees are chosen by the existing Board on the basis of the qualifications and experience that they can bring to the charity. The Chair of Trustees is responsible for the induction of new Trustees, giving them a firm grounding in the responsibilities of the role and an introduction to the history and ethos of SIFT. The names of the Trustees appear on the last page of this report.

The Trustees were pleased to welcome Tony Langmead to the Board of Trustees during the year. Tony moved to Nicaragua in 2004 and for a number of years was SIFT's Project Manager and Legal Representative, overseeing the charity's various projects. Tony will provide the Board of Trustees with the benefit of his day to day experience of life in Nicaragua.

Staff and Volunteers

Graham Knight is employed for four days a week as SIFT's Executive Officer, working at the charity's office in Seaton, Devon. He has responsibility for the day-to-day administration of the charity, which includes general administration, accounting, maintenance of SIFT's website and administration of SIFT's sponsorship schemes. He also submits applications to UK grant-making trusts, seeking funds for SIFT's medical work on the island of Ometepe. Each October he travels to Nicaragua to help administer SIFT's sponsorship schemes and to collect information and media for promotional materials.

Dr Sandra Villagra is contracted by SIFT to oversee and provide a medical service on the island of Ometepe. She leads a team of three nurses who serve alongside her in the clinics. Dr Sandra commutes from her home in Managua to the island of Ometepe every other week. On the weeks when Dr Sandra is in Managua the nurses can contact her by phone with any questions that they may have. When she is in Managua she purchases medicines for the clinic pharmacies. Her work also involves liaising with the Nicaraguan Ministry of Health at a local and regional level.

Dr Sandra has continued her role representing SIFT before various Nicaraguan government departments, and we particularly appreciate her dedication to this role during this difficult year. We are also grateful to Yessenia Rosales and Rigoberto Solis who have provided us with valuable legal and accounting services respectively.

SIFT is very grateful for the continued involvement of Margaret Storey and Ruth Ward in the education sponsorship scheme. Ruth assists the office in the production of the annual reports for our education sponsors. Margaret lives in Bluefields for six months each year, administering the sponsorship scheme on the ground and providing pastoral support to the children and their families.

Management

SIFT's Trustees are responsible for setting the strategy and direction for the charity, in the form of a regularly reviewed Strategic Plan. The Strategic Plan documents the mission, strategy and values of the charity and for each major project details the objectives and resources. This document underpins

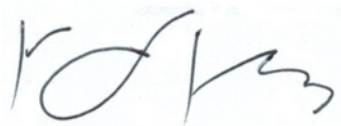
the annual budgetary process. In setting the Strategic Plan and in planning all of the charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit.

The Trustees are also responsible for assessing the risks associated with SIFT's current activities, both in Nicaragua and in the UK. These risks and their mitigating actions are recorded in a Risk Assessment document which is kept under review by the Trustees. The main risks are considered to be the potential for fraud, especially in Nicaragua, and the risk of accident or injury to staff and volunteers involved with SIFT's work in Nicaragua.

SIFT has a Data Protection policy, Reserves policy and Fundraising Complaints policy, as well as a comprehensive Safeguarding policy for our work with children and vulnerable adults. In addition, all contact with SIFT's supporters, including the storage of their personal data, is carried out in accordance with GDPR legislation.

Finally the Trustees are responsible for the financial well-being of the charity, ensuring that its funds are appropriately used to fulfil the charity's objects and serve the poor of Nicaragua. We continue to do all this to the honour and glory of God.

Approved by the Trustees and signed on their behalf by:



Mark Catley
Chair of SIFT Board of Trustees

Date: 25th June 2024

Trustees

Mark Catley FRICS FAAV
David Joseph Langmead BA
Matthew James Farrer BA (Hons) DipArch ARB
Freja Joy Brown BA (Hons) MArchD
Anthony John Langmead

Patron

Andrew Selous MP

Registered Office

1 Harepath Road
SEATON
Devon
EX12 2RP

Charity Number

1094193

Independent Examiners

Hammett Associates
8-10 Queen Street
SEATON
Devon
EX12 2NY

Bank

Lloyds Bank
The Square
SEATON
Devon
EX12 2QH

Independent Accountant's Report

Seed International Fund Trust

For the Year Ended 31 August 2023

Respective Responsibilities of Trustees and Examiner

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

It is my responsibility to:

- examine the accounts (under section 43 of the Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 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 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 explanation from the 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 accounts.

Independent Examiner's Statement

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

- 1 which gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the Act); **and**
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; **or**
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Vineta Cable FCCA
HAMMETT ASSOCIATES
8-10 Queen Street
Seaton
Devon
EX12 2NY



Date: 27/06/2024

Statement of Financial Affairs

For the Year Ended 31 August 2023

	Note	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Income and endowments from:					
Donations and legacies	2	45,741	63,781	109,522	107,204
Charitable activities	3	-	2,576	2,576	6,077
Other trading activities		-	-	-	-
Investments	4	-	-	-	-
Other		-	-	-	-
Total		45,741	66,357	112,098	113,281
Expenditure on:					
Raising funds	5	7,982	5,700	13,682	12,275
Charitable activities	6	20,781	70,458	91,239	98,903
Other		-	-	-	-
Total		28,763	76,158	104,921	111,178
Other recognised gains / (losses):					
Gains / (losses) on disposal of fixed assets		(13,504)	-	(13,504)	-
Net income / (expenditure)		3,474	(9,801)	(6,327)	2,103
Transfers between funds		-	-	-	-
Net movement in funds		3,474	(9,801)	(6,327)	2,103
Reconciliation of funds:					
Total funds brought forward		111,416	97,079	208,495	206,392
Total funds carried forward		114,890	87,278	202,168	208,495

The statement of financial activities includes all gains and losses recognised in the year.

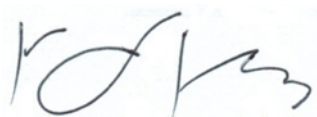
All incoming resources and resources expended derive from continuing activities.

Balance Sheet

At 31 August 2023

		31-Aug-23		31-Aug-22	
	Notes	£	£	£	£
Fixed Assets:					
Tangible Assets	7		115,634		130,573
Current Assets:					
Debtors	8	9,530		7,091	
Cash at Bank and in hand		77,872		78,505	
		<u>87,402</u>		<u>85,596</u>	
Creditors:					
Amounts falling due within one year	9	(868)		(7,674)	
Net Current Assets			86,534		77,922
Creditors:					
Amounts falling due after more than one year			-		-
Net Assets			<u><u>202,168</u></u>		<u><u>208,495</u></u>
Funds					
Restricted Funds	10		87,278		97,079
Unrestricted Funds: General Reserves			40,337		23,359
			<u>127,615</u>		<u>120,438</u>
Revaluation Reserve	11		74,553		88,057
			<u><u>202,168</u></u>		<u><u>208,495</u></u>

Approved by the Board of Trustees:



Mark Catley

Date: 8th June 2024

Statement of Cash Flows

For the Year Ended 31 August 2023

	2023 Total funds £	2022 Total funds £
Net income/(expenditure) for the period (as per the statement of financial activities)	(6,327)	2,103
Adjustments for:		
Depreciation charges	1,435	1,761
Loss/(profit) on the disposal of fixed assets	13,504	-
Interest income	-	-
(Increase)/decrease in debtors	(2,439)	(319)
Increase/(decrease) in creditors	(6,806)	6,767
Net cash provided by (used in) operating activities	(633)	10,312
Cash flows from investing activities:		
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	-
Net cash provided by (used in) investing activities	-	-
Cash flows from financing activities:		
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Receipt of endowment	-	-
Net cash provided by (used in) financing activities	-	-
Change in cash and cash equivalents in the period	(633)	10,312
Cash and cash equivalents at the beginning of the period	78,505	68,193
Cash and cash equivalents at the end of the period	77,872	78,505
Analysis of cash and cash equivalents:		
Cash in hand	77,872	78,505
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	77,872	78,505

Notes to the Financial Statements

For the Year Ended 31 August 2023

1. Principal Accounting Policies

(a) Accounting Convention

The financial statements are prepared under the historical cost convention. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" SORP (FRS102) issued in September 2019.

(b) Incoming Resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

(c) Resources Expended and Basis of Allocation of Costs

Expenditure is recognised when a liability is incurred. The majority of costs are directly attributable to specific activities.

Costs of generating funds are those costs incurred in attracting voluntary income.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating travel costs and repairs, renewals and maintenance by location in the UK or in Nicaragua, payroll and administration costs by the time spent on different activities and publicity costs solely by income generation activities.

A significant proportion of the charity's support costs, as disclosed in note 15, relate to and directly affect charitable activities undertaken in Nicaragua.

(d) Publicity Costs

Publicity costs consist of expenditure relating to printing and reproduction and related photography expenditure.

(e) Administration and Office Expenditure

Administration expenditure consists of all office costs and related small equipment expenditure.

(f) Repairs, renewals and maintenance

Use of a suitable office for the charity has been obtained at a peppercorn monthly rental of £1. Repairs and renewals expenditure relates to the costs involved in refurbishing the office to enable administrative use for the charity. In addition this category includes maintenance costs for a motor vehicle in Nicaragua.

(g) Capitalisation and Depreciation of Tangible Fixed Assets

All assets costing more than £1,000 are capitalised. Motor vehicles are recorded at cost and are depreciated at a rate of 50% per annum on the reducing balance. No depreciation is provided on land costs and buildings are depreciated over 50 years when completely built; no depreciation is charged in the year of acquisition / addition, and a full year's depreciation in the year of disposal.

(h) Funds Accounting

Funds held by the charity are:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

(i) Foreign Currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

Notes to the Financial Statements

For the Year Ended 31 August 2023

2. Donations, legacies and similar incoming resources

	Unrestricted Funds £	Restricted Funds £	2023 £	Unrestricted Funds £	Restricted Funds £	2022 £
Committed giving	9,164	48,880	58,044	8,630	51,765	60,395
One-off gifts	5,623	4,416	10,039	11,470	14,045	25,515
Grants from organisations	500	2,485	2,985	1,318	6,850	8,168
Legacies	21,015	8,000	29,015	2,000	-	2,000
Gift Aid recoverable tax income	9,439	-	9,439	11,126	-	11,126
	45,741	63,781	109,522	34,544	72,660	107,204

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2023 £	Unrestricted Funds £	Restricted Funds £	2022 £
Fundraising events	-	2,576	2,576	-	6,077	6,077
	-	2,576	2,576	-	6,077	6,077

4. Investment income and interest

	Unrestricted Funds £	Restricted Funds £	2023 £	Unrestricted Funds £	Restricted Funds £	2022 £
Bank interest received	-	-	-	-	-	-

5. Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	2023 £	Unrestricted Funds £	Restricted Funds £	2022 £
Donations, legacies and similar incoming resources:						
Support costs allocated	7,982	5,700	13,682	6,575	5,700	12,275

6. Details of charitable activities

The amount spent on charitable activities, including support costs, is analysed by project area as follows:

	Unrestricted funds				Restricted funds				2022			
	Operational projects		Support costs		Operational projects		Support costs		Unrestricted		Restricted	
	£		£		£		£		£		£	Total
Orphanage	-		-		8,531		-		-		4,967	4,967
Sponsored children's education	132		102		22,598		-		-		19,916	19,916
Other education projects	-		-		-		-		-		-	-
Christian Vocational Centre	-		-		-		-		-		-	-
Islands community development	-		-		2,535		-		-		60	60
Children's feeding programme	418		323		-		-		444		-	444
SIFT Gifts expenditure	-		-		285		-		-		480	480
Supporting churches	25		19		-		-		-		-	-
Medical and clinic expenditure	1,435		1,109		36,509		-		12,549		37,639	50,188
Cookers project	-		-		-		-		-		-	-
Other building projects	-		-		-		-		-		-	-
Casa Rahab	-		-		-		-		7,675		-	7,675
Project administration in Nicaragua	9,679		7,479		-		-		15,153		-	15,153
	11,689		9,032		70,458		-		35,821		63,062	98,883
Discretionary gifts in Nicaragua	54		6		-		-		20		-	20

Notes to the Financial Statements

For the Year Ended 31 August 2023

7. Tangible fixed assets

	Land	Buildings	Motor vehicles	Total
Cost	£	£	£	£
At 1 September 2022	57,653	88,057	9,571	155,281
Additions - Revaluation	-	-	-	-
Disposals	-	(13,504)	-	(13,504)
At 31 August 2023	57,653	74,553	9,571	141,777
Accumulated depreciation				
At 1 September 2022	-	15,137	9,571	24,708
Charge for year	-	1,435	-	1,435
Disposals	-	-	-	-
At 31 August 2023	-	16,572	9,571	26,143
Net book value				
At 31 August 2023	57,653	57,981	-	115,634
At 31 August 2022	57,653	72,920	-	130,573

£28,508 of the tangible fixed assets relate to restricted funds (Islands) and £87,126 relate to unrestricted funds.

8. Debtors

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Gift Aid debtor - HMRC	9,350	-	9,350	6,931
Bank interest receivable	-	-	-	-
Prepayments	180	-	180	160
	9,530	-	9,530	7,091

9. Creditors falling due within one year

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Accruals	868	-	868	1,174
Loan from donor	-	-	-	6,500
	868	-	868	7,674

10. Restricted funds

	Balance at 1 Sept 2022	Incoming resources	Transfer from unrestricted funds	Programme expenditure	Balance at 31 Aug 2023
	£	£	£	£	£
Islands	47,933	110	-	(2,535)	45,508
Orphanage	4,698	9,936	-	(8,531)	6,103
Child Sponsorship	26,981	20,965	-	(22,598)	25,348
Team Support	289	5,760	-	(5,700)	349
SIFT Gifts	456	-	-	(285)	171
Medical	16,722	29,586	-	(36,509)	9,799
	<u>97,079</u>	<u>66,357</u>	<u>-</u>	<u>(76,158)</u>	<u>87,278</u>

Most restricted funds are for specific humanitarian, education or health projects in Nicaragua. These projects include development programmes to provide long-term sustainable benefits for a community, including health and nutrition, education projects and miscellaneous SIFT Gifts for smaller specific purposes.

11. Revaluation reserve

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Buildings	<u>74,553</u>	<u>-</u>	<u>74,553</u>	<u>88,057</u>

Legal ownership of the Ometepe clinic buildings by SIFT was established during 2012-13 and updated valuations were obtained during 2014-15.

12. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Salaries and wages	8,872	5,700	14,572	18,978
Social security costs	-	-	-	-
Pension costs	253	-	253	253
	<u>9,125</u>	<u>5,700</u>	<u>14,825</u>	<u>19,231</u>

No employees had employee benefits in excess of £60,000 (2022: £ nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment with the Trust in the period (2022: £ nil). During the period no Trustees were reimbursed for travel and admin expenses (2022: £ nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £ nil).

The key management personnel of the Trust comprise the board of trustees. There are no further staff benefits than those included in the table above, and these relate to the office staff only.

Notes to the Financial Statements

For the Year Ended 31 August 2023

13. Trustees' donations

Aggregate donations from the Trustees to the charity for the period were £1,168.09, including Gift Aid of £233.62 (2022: £1,163.11, including Gift Aid of £232.62).

14. Staff numbers

The average monthly head count was 1 staff (2022: 2 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2023	2022
Fundraising	-	-
Office administration and charitable activities (UK)	1	1
Office administration and charitable activities (Nicaragua)	-	1
	<u>1</u>	<u>2</u>

15. Support costs

The support costs of the charity consisted of five main elements: travel, payroll, administration and office, publicity, and repairs, renewals and maintenance. The costs have been apportioned across the work of the charity on the basis disclosed in note 1(c) and allocated to each of the charity's activities as set out in the table below.

	Travel	Payroll	Administration and office expenditure	Publicity	Repairs, renewals and maintenance	2023 Total	2022 Total
	£	£	£	£	£	£	£
Basis of apportionment	(Activity type)	(Activity type)	(Activity type)	(All income generation)	(Location)		
Charitable activities							
Operational projects in Nicaragua	2,327	4,939	1,766	-	-	9,032	14,577
Discretionary gifts in Nicaragua	2	3	1	-	-	6	4
	<u>2,329</u>	<u>4,942</u>	<u>1,767</u>	<u>-</u>	<u>-</u>	<u>9,038</u>	<u>14,581</u>
Income generation							
Donations and legacies	-	9,389	3,356	253	-	12,998	11,661
Gift Aid recoverable tax income	-	494	177	13	-	684	614
	<u>-</u>	<u>9,883</u>	<u>3,533</u>	<u>266</u>	<u>-</u>	<u>13,682</u>	<u>12,275</u>
Total costs allocated	<u>2,329</u>	<u>14,825</u>	<u>5,300</u>	<u>266</u>	<u>-</u>	<u>22,720</u>	<u>26,856</u>



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Registered Charity 1094193

SEED INTERNATIONAL FUND TRUST

England & Wales - Charity number 1094193

Accounts



Annual Report & Accounts 2021 - 2022



*Sowing seeds of hope
in Nicaragua*

Foreword by SIFT's Patron

Andrew Selous MP



Andrew Selous MP

Of course, at the date of this foreword the news that the SIFT, along with over 1,500 others, has lost its NGO status in Nicaragua (in November 2022) has been widely reported but that was outside the remit of this Annual Report. The Charity's next Annual Report will deal with how the SIFT Trustees have dealt with that issue.

This short foreword for the 2021/2022 SIFT Annual Report reflects the fact that Covid 19 was nearing the end of its grip but the country of Nicaragua was recovering from the devastating effects of the virus. SIFT has not been immune from the onslaught and I am always grateful to all within the Charity who have dealt with the aftermath, both physical and financial.

The Charity is still financially stable thanks to all who sacrificially give and to fundraisers, particularly Graham Knight, our Executive Officer, who has walked many miles to assist the levels of our finances.

I am also grateful for Dra Sandra Villagra and our nurses on Ometepe for their fortitude in dealing with coronavirus in all its forms and the general health of islanders. I am delighted she has stepped in to become the Charity's Legal Representative bringing stability to that role. I am also so thankful to Margaret Storey who has had an enforced extended stay in Bluefields – due to the international travel restrictions brought about by the pandemic, Margaret had to stay in Bluefields for 21 months, returning to the British shores in December 2021. After a well-earned Christmas break with her family, she returned to Nicaragua in March 2022 for her usual six-month stint. She is a quite remarkable lady.

Thank you, too, to all those behind the scenes who keep to Charity going: Ruth Ward, liaising with sponsors and distributing reports and for all the Trustees who, so faithfully, keep a watchful eye on all matters practical and financial to ensure God is central to the work of the Charity. I look forward to being able to say that work has started on our programme for building homes for the poor of Nicaragua in our next report.

I am eternally grateful to you all who support SIFT and am thankful to God for His mercy and grace.

Andrew Selous MP, Patron
June 2023

Official portrait of Andrew Selous: © Chris McAndrew / CC BY
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Contents

About Nicaragua	Page 3
Report of the Trustees	Page 4
Independent Accountant's Report	Page 13
Statement of Financial Affairs	Page 14
Balance Sheet	Page 15
Statement of Cash Flows	Page 16
Notes to the Financial Statements	Page 17
Charity Information	Page 23

About Nicaragua

Nicaragua has a population of 6.8 million and is the second poorest country in the Americas after Haiti. The most recent independent survey of Nicaraguan households, carried out in 2019, found 44% of the population living below the poverty line¹, with 8.9% living in extreme poverty. These figures increased significantly in rural communities, where 63% of the population are below the poverty line and 17.4% live in extreme poverty. A number of different factors contribute towards extreme poverty, with the most significant being economic dependence, overcrowded homes and a lack of access to basic services.²

The Nicaraguan government has aimed to keep the country open for business during the pandemic and consequently has not enforced any national lockdowns. Many individual Nicaraguans, however, have taken it upon themselves to wear masks, practice social distancing and stay at home where possible. Vaccinations started to be administered in Nicaragua in April 2021 and, by the end of August 2022, 82% of the population had been fully vaccinated against Covid-19³.

After three years of economic contraction, the Nicaraguan Central Bank reported an increase in national GDP of 10.3% in 2021. Whilst this is an encouraging sign nationally, it is unclear whether this will be felt by the average Nicaraguan due to high levels of inflation (7.2% in 2021). In addition, income from tourism is only at 35% of pre-pandemic levels, making life difficult for those who rely on this sector for their family income⁴.

At a national level in Nicaragua there are 17 physicians for every 10,000 people, compared to 30 physicians for every 10,000 people in the UK⁵. Almost half of all health centres lack a water supply, and 35% of rural health centres do not have a reliable electricity source.⁷ The rural population face particular challenges in the area of health: 82% of rural families cook on open wood fires² (which can lead to respiratory diseases), 37% of children from these communities are undernourished, and 70% of maternal deaths occur in rural areas⁷. Maternal deaths include women who die whilst pregnant or within 6 weeks of being pregnant.

The latest UNDP update for Nicaragua recognises that Nicaraguan children have far better access to education than their parents did. A child beginning school this year is anticipated to spend 12.6 years in education, whereas the average Nicaraguan aged 25 years or older only spent 7.1 years in education.⁶ Whilst attendance at primary school is compulsory, primary attendance rates are only 87%. Secondary school attendance rates drop to 66% for girls and 64% for boys, and only 15% of teenagers go on to study at university². This reflects the fact that young people often need to choose between continuing with their education and finding work in order to financially support their families.

SIFT is working to bring hope and security to the poor of Nicaragua through projects in the areas of health, education, housing and freedom from sexual exploitation. Our projects are based on the island of Ometepe, in the town of Bluefields, and in the localities of Managua and Granada.

- (1) People living below the poverty line live on less than \$2.30 per day and those in extreme poverty live on less than \$1.15 per day.
- (2) FIDEG. 2019. *Encuesta de hogares para medir la pobreza en Nicaragua* [Online]. Managua: FIDEG. Available at <http://fideg.org/wp-content/uploads/2020/12/Informe-Pobreza-FIDEG-2019.pdf>
- (3) Global Change Data Lab. 2021. *Coronavirus (COVID-19) Vaccinations – Our World in Data* [Online]. Available at <https://ourworldindata.org/covid-vaccinations?country=NIC>
- (4) BCN. 2022. *Informe Anual 2021* [Online]. Available at <https://bcn.gob.ni/publicaciones/informe-anual-2021>
- (5) World Bank. 2023. *Physicians (per 1,000 people)* [Online]. Available at <https://data.worldbank.org/indicator/SH.MED.PHYS.ZS>
- (6) UNDP. 2022. *Human Development Report 2021/22* [Online]. New York: UNDP. Available at: <https://hdr.undp.org/content/human-development-report-2021-22>
- (7) Sequeira M, Espinoza H, Amador JJ, Domingo G, Quintanilla M, and de los Santos T. 2011. *The Nicaraguan Health System* [Online]. Seattle, Washington: PATH. Available at: <https://media.path.org/documents/TS-nicaragua-health-system-rpt.pdf>

Report of the Trustees

Mission, Objectives, Strategy and Activities

Mission

SIFT's mission is to transform the lives of the poor in Nicaragua by focussed activity in specific areas and communities of need.

Objectives

The Trustees hold the trust fund and its income upon trust to apply them for the following objectives:

1. To relieve poverty.
2. To advance the Christian religion.
3. To facilitate the protection and preservation of good health.
4. To facilitate education.



Strategy

SIFT's overall strategy to satisfy these charitable objectives is:

To use SIFT funds and resources to help to draw Nicaraguans out of material and spiritual poverty, by supporting indigenous individuals, groups or Churches in projects to benefit the poor.

Activities

Throughout the year SIFT has worked with beneficiaries and indigenous organisations, including local government and other NGOs, to assess needs and to ensure solutions are developed and implemented which will be of sustainable public benefit. Our main activities for this year to fulfil the objectives were:

- Providing primary healthcare facilities on the island of Ometepe.
- Sponsoring the education of children and young people in Bluefields.
- Supporting an orphanage near Managua.
- Progressing options to re-house poor and displaced islander families on the Asese Peninsula.
- Supporting Christians and churches in various areas of the country and providing funding for their ministries.

Details of these activities and achievements this year appear in the following pages.

Activities, Achievements and Performance

Health

The island of Ometepe, in Lake Nicaragua, is home to around 35,000 people, most of whom live in rural farming communities. The tourist industry on the island was heavily affected by the global travel restrictions of the pandemic, and is only slowly recovering (at a national level, tourism income is only at 35% of pre-pandemic levels).

State funded health facilities on the island are limited and tend to be based in the main towns. Whilst consultations are free at these health centres, patients have to pay for their medicines which tends to put treatment out of the reach of those from poorer backgrounds.

SIFT provides primary healthcare to the people of Ometepe at our clinics in the communities of Las Pilas, San José del Sur and El Corozal. They are staffed by Dr Sandra Villagra and our team of seven local nurses. Four of our nurses have graduated from university with a professional nursing qualification, which allows them to hold consultations and dispense medicines when Dr Sandra is not at the clinic.

Patients attending a SIFT clinic only have to pay a small, affordable, consultation fee, but all medicines are prescribed free of charge. Patients who cannot afford the consultation fee have it waived, as we do not want a lack of money to prevent someone from receiving the treatment that they need.



*Dr Sandra with a young patient
at Las Pilas clinic*

In June 2022 a group of students from Carthage College, Wisconsin, was due to travel to Nicaragua. Similar student groups have visited Nicaragua over the last decade, but this would have been the first visit from Carthage since the start of the pandemic in 2020. Unfortunately at the last minute five of the students tested positive for Covid and so the team were not able to fly that day. The team were not able to transfer their tickets to a later flight and so they sadly had to cancel their trip. Dr Sandra had organised a team of medics from the Nicaraguan Ministry of Health (MINSA) to work alongside the students and SIFT's nursing staff and so, whilst the students were not able to visit Nicaragua on this occasion, the combined medical team were still able to attend just over 600 patients.

In order to keep our staff and patients safe during the ongoing coronavirus pandemic our medical team have been provided with items of personal protective equipment, including face masks, plastic aprons and disposable gloves. When taking patient's vital signs, our nurses use infrared thermometers and fingertip pulse oximeters in order to minimise contact between the nurses and patients. Patients have also been encouraged to wear masks when attending the clinics, to maintain social distancing and to wash their hands on arrival.

Our nurses give short talks to patients whilst they are waiting for their appointments in order to teach them practical ways to live healthy lives. When there is an outbreak of a specific disease on Ometepe, such as dengue fever or coronavirus, the talks focus on ways to avoid contracting it and how to recognise its symptoms. The talks also cover general health topics, such as personal hygiene and good nutrition.

The nurses also play a valuable role in providing pastoral care to their patients, which has been particularly valuable given the uncertainty and stress caused by the pandemic. Often they find that a patient needs to talk through a situation that they are facing in their personal life, in addition to the medical condition that they are presenting. Dr Sandra and our nurses take the time to listen to these concerns, share their advice and offer to pray with the patient.

Report of the Trustees

In addition to treating their patient's diseases, our nurses also seek to tackle some of the social needs that they see in their communities. At our clinic in the village of Las Pilas a Luncheon Club is run for the elderly, who often experience loneliness as a result of being excluded from village life. Due to the age of the members and the coronavirus situation, the nurses have mainly visited the members at their homes this year, rather than meeting with the whole group at the clinic. They give each of the members a course of multi-vitamins and a bag of food, and spend time talking with them and providing them with encouragement. If there is a specific medical need then the nurses arrange for Dr Sandra to give them a home visit.

A second social care group is run by our nurses at El Corozal clinic. This clinic is located in the south of Ometepe, far from the main maternity facilities, and so it is particularly important that expectant mothers in this area have good antenatal support. Our nurses run a fortnightly club for expectant mothers to provide them with antenatal education and teach them how to recognise signs of potential complications. At the sessions each woman receives a hot meal and also a free consultation to monitor their pregnancy. In addition, the sessions enable our nurses to give emotional support to these women, including prayer if it is requested. As the women approach their due date, Dr Sandra is able to give them an ultrasound scan, using SIFT's portable ultrasound monitor.

During the year two of our nurses, Candida and Marlene, decided to take retirement, having worked with SIFT since the beginning of our medical work on Ometepe. In addition, nurse Gabi resigned and moved to Costa Rica for personal family reasons. We are extremely grateful for the faithful service that Candida, Marlene and Gabi have provided in SIFT's health clinics, serving the people of their own communities, and we wish them well as they move on to new stages in their lives.

Around 38% of the income for our health clinics comes from our supporters in the form of regular monthly donations. Many of the people who give to SIFT in this way do so through one of our medical sponsorship schemes, paying a suggested monthly donation of £15 to support either Dr Sandra or one of our nurses.

We also seek funding for the medical work from grant-making trusts in the UK. This year we received grants totalling £6,300, representing 15% of our total medical income. We are extremely grateful to the Father O'Mahony Memorial Trust, the George Muller Charitable Trust, the Souter Charitable Trust, and the Crossroads Project, Meltham, for partnering with us to provide the people of Ometepe with primary healthcare.

Finca El Rayo - Asese Peninsula

Lake Nicaragua is the largest freshwater lake in Central America and the colonial city of Granada is situated on its north-western shore. Just to the south of Granada lies the Asese peninsula, which is surrounded by an archipelago of 365 small islands. In recent years this beautiful area of Nicaragua has been discovered by tourists and investors, and some of the islands have been bought and developed into holiday homes, restaurants or eco-tourist resorts.

Many of the islands around the Asese peninsula are inhabited, but sadly the families that live there do not, for the most part, have legal ownership of the land that they have lived on for generations. As a result many of them face the prospect of being evicted from their island homes at short notice, with only minimal compensation being awarded to them. Some of the new owners of the islands have allowed families to remain on their islands as caretakers, but this is only a temporary arrangement, offering the families little long-term security.

SIFT owns a plot of land on the Asese peninsula, called Finca El Rayo, which we are planning to use to provide new homes for families who are facing eviction from their island homes. Since many families in this area rely on fishing to feed their families and to bring in a small income, having a plot of land

with lake access is essential to enable them to continue with their traditional way of life. We will be giving the families legal ownership of their plots of land so that they can have security for the future.

A full environmental impact assessment has been carried out for the project and flood defences have been constructed to prevent flooding of the housing area even when water levels in Lake Nicaragua are exceptionally high. A committee of the beneficiaries has also been established to deal with the practical and social issues that may occur during both the construction phase and the formation of the new community.

The next stage of the project involves transferring the legal ownership of the individual plots of land to the beneficiary families. Unfortunately the legal steps involved in this process have taken much longer than we expected, and the process has been further slowed this year owing to the change of our legal representative in Nicaragua. We hope that all the necessary paperwork will be put in place during the coming year so that we can give the families the security that they so desperately need.

Education Sponsorship

The current government of Nicaragua made state-provided education free in 2007. This was a very welcome decision and has improved access to education across the country. However, since state schools in Nicaragua tend not to be fully resourced, parents often choose to send their children to fee-paying schools instead where they can receive a better quality of education. The costs involved in this, though, prohibit children from poor backgrounds from taking advantage of this opportunity.

SIFT's work in Nicaragua started when our founder, Dick Bell, was asked for help with the costs of schooling by a child living in the town of Bluefields, on the Caribbean coast of Nicaragua. Bluefields is home to around 40,000 people but suffers from high levels of unemployment and underemployment. Many poorer families rely on finding occasional temporary labour to meet their financial needs, but this is not a stable source of income. In a situation such as this having a good education and being able to find a well-paid job – possibly in another part of the country or abroad – can transform a family's future.

Through SIFT's education sponsorship scheme, children from deprived areas of Bluefields are able to attend fee-paying schools where they will receive a good standard of education. We pay their school fees, removing this financial burden from their parents, so that they are able to complete their primary and secondary education. If a child wishes to continue their studies at one of the two universities in Bluefields then we will also fund the costs of their course and university supplies. We hope that this good educational foundation will be a blessing both to the children and their families. Of the 110 children that we sponsor in Bluefields, 34 attend primary school, 55 attend secondary school and 21 are university students.

During the peak of the coronavirus pandemic many schools ran online classes for their students in place of face-to-face lessons. This year, as cases have reduced and vaccines have been offered to all students, in-person classes have resumed, although most schools still require masks to be worn in the classroom. It is unclear what impact the disruption caused by the pandemic will have on the children's overall educational attainment, but we hope that this return to normality will, in particular, help those who struggled during the time of home learning.

The progress of our sponsored students' education is monitored by our voluntary field worker, Margaret Storey. Due to the worldwide travel restrictions brought in by the pandemic, Margaret had to stay in Bluefields for 21 months, returning to the UK in December 2021. After a well-earned Christmas break with her family, she returned to Nicaragua in March 2022 for her usual six month



One of SIFT's sponsored students at school

Report of the Trustees

visit. Margaret makes monthly visits to the schools to check on the progress of our sponsored children and she also stays in contact with our university students, providing them with funds for their studies as needed during the year. If Margaret discovers that a child has left school or is experiencing difficulties then she relays this information to the UK office. We are extremely thankful for Margaret's continued faithful service to the children of Bluefields and their families.

We are also very grateful to our sponsors who regularly donate to the education sponsorship fund. Each sponsor receives an annual update about their sponsored child, which includes a recent photograph and news about their child's progress. Margaret Storey writes these annual updates whilst she is back in the UK and they are sent out to the sponsors with the assistance of Ruth Ward. Ruth also contacts sponsors during the year if there are any significant changes to their sponsor child's situation.

Hogar de Fe Orphanage

The Hogar de Fe (Home of Faith) Orphanage was founded in 1992 by Pastor Ramiro Blandon and his wife Conchita after a baby was abandoned on their doorstep. The Orphanage is situated in the town of Los Brasiles, near to Managua, and provides a loving home to children and young people. In recent years the running of the Orphanage has been handed over to Ramiro's son, Isaac, and a team of local Christians.

The children who live at Hogar de Fe come from troubled backgrounds; some of them are full orphans and others are not able to be supported by their families. Regardless of their past, they are welcomed into a loving Christian family at Hogar de Fe and are given every opportunity to develop to their full potential.

The team of Christian workers at Hogar de Fe are keen to ensure that the children learn a variety of life skills during their time at the Orphanage and organise educational talks through the year on topics such as communication, self-esteem, crafts and cooking. The children assist with the laundry at the Orphanage, supervised by members of the team, and some of the teenagers help to prepare the food in the kitchen. The children also receive English lessons each week and music classes at the weekends.



Three of the young people living at Hogar de Fe

The neighbouring school is also administered by members of Ramiro Blandon's family. It is a very popular and well-resourced school, and is open to both the children at the Orphanage and those from the local community. When the children return to the Orphanage after school, they spend time doing their homework, assisted by members of the team who help the children to understand their studies.

Sadly during the year the organisation who provided the majority of the budget to run Hogar de Fe changed its funding priorities in Nicaragua and withdrew its support from the orphanage. This left SIFT and a few American individuals as the only funding partners for Hogar de Fe. As a result Isaac had to restructure the orphanage's activities to cope with a significantly smaller operating budget.

At present they are able to attend six of the older children, providing them with a place to live, food and hygiene materials, and support to enable them to continue with their schooling. The other children who were living at Hogar de Fe have either returned to their extended families in Los Brasiles or have gone to live at other children's homes run by the state. The team remain in contact with the children and young people to provide them with pastoral support, and see many of them at Pastor Ramiro's church each Sunday.

Isaac is hopeful that he will be able to find additional sources of funding in the near future, enabling them to expand their ministry to work with up to 20 children. SIFT will continue to stand alongside Hogar de Fe as they seek to serve the most needy in their society.

Supporting Nicaraguan Christians and churches

SIFT seeks to support Nicaraguan Christians as they practically demonstrate the love of Jesus to their fellow Nicaraguans. We recognise the value of working through local Nicaraguans, as they are aware of the needs that exist in their communities and are able to respond to those needs in culturally appropriate ways.

This year we supported two such ministries:

1. Casa Rahab, Granada

Granada is the oldest colonial city in Nicaragua and is a popular destination for tourists visiting the country. Sadly the city also attracts people looking for sex and as a result many girls and young women find themselves caught up in the sex trade. In some cases they can be forced into a life of prostitution by their own families, who are desperate for a source of income.

Casa Rahab (Rahab's House) is a Christian day centre that seeks to break the cycle of sexual exploitation by providing girls who have been affected by the sex trade with support and a fresh start in life. The team of Christian workers, led by Valeria Lopez, work with girls aged between 11 and 17 years old who have been referred to them by the police or local authorities. Their aim is to help these girls to rebuild their lives and find hope for the future. Between 10 and 15 girls are helped at Casa Rahab at any one time.

When they first arrive at Casa Rahab the girls are interviewed by the team's psychologist, who designs a personalised programme of therapy to help them recover from the trauma that they have experienced. The team's social worker helps them with any problems they are having with their schools and families, offering parenting classes and therapy to their families where this is appropriate. The team recognise the value of a good education and so support and encourage the girls as they complete their primary and secondary schooling. The craft teacher does craft activities with the girls, both as a form of therapy as well as to teach them new skills. The girls are also taught life skills, such as how to cook healthy meals.

SIFT has supported the ministry of Casa Rahab by funding the salary of the craft teacher and psychologist. We are grateful in particular to those individuals who have specifically funded this valuable work.

During 2022 the Nicaraguan government issued closure notices to over 1,500 NGOs, including both international and national organisations. We were saddened to learn from Valeria that Centre Cosecha, the NGO that ran Casa Rahab, was one of those national NGOs that were closed by the government. As a result the centre had to close its doors at the end of June 2022.

SIFT has been privileged to partner with Casa Rahab almost since its inception and to see the caring ministry of Valeria's team slowly bring positive change to broken lives. We pray that the love and practical input that has been shown to the girls during their time at Casa Rahab will enable them to continue moving forward towards a brighter future.

2. Feeding Programme, Urbaite

Families living in rural areas of Nicaragua can often struggle to provide their children with all of the nutrients that are needed for their healthy development. The typical diet for such a family would consist of rice, beans and maize, supplemented by small amounts of meat, fish and vegetables.

Over 20 years ago Julita Alemán established a feeding programme for children from the villages of Urbaite and Las Pilas on the island of Ometepe, to meet this nutritional need that she saw in her community. Children would come to her house twice a week to receive a glass of high vitamin milk and receive teaching from the Bible.

Report of the Trustees

Following the sad death of Julita Alemán in 2020, the ministry of the feeding programme has been taken on by a group of local Christians, led by Maxnomara (Max) Potoy who has helped at the feeding programme for a number of years. During the worst period of the pandemic the activities at the feeding programme were necessarily curtailed to protect the children, their families and the team. As cases of coronavirus have decreased the team felt that they were able to fully restart the activities for the children.



Children receiving milk at the Feeding Programme

The feeding programme meets on two occasions each week in the grounds of Julita's house, in a building that was constructed this year thanks to donations from the United States. As children arrive, one of the team is on hand to provide them with educational support and help them with their school work. Once all of the children have arrived, Max leads the children in singing some Christian songs and teaching them a story from the Bible. The children enjoy choosing their favourite songs and joining in with the actions. Following their activities the children are given a glass of high-vitamin milk and, on some occasions, some items of food provided by the mothers.

One of the team members who works alongside Max is a trained psychologist, and another is a physiotherapist. On three occasions each week they run free sessions for those children who would benefit from their services. This has been a new venture for the feeding programme since the pandemic, and it is encouraging to see how the team care for the children physically, emotionally, and spiritually.

Financial Review

SIFT relies upon the generosity of our supporters in the UK to be able to continue serving the poor of Nicaragua. We would like to thank the many individuals, churches and trusts in the UK who have donated to SIFT over the past year.

Our overall income for the year was 2% lower than last year. This was mainly due to a reduction in the level of committed giving for restricted funds. However, regular giving to SIFT still formed 53% of our income this year. Most people who support SIFT on a regular basis give towards a particular project, such as support our medical work or sponsoring a child's education, but we do also have some regular unrestricted income. We are conscious of the need to increase the overall proportion of our income that comes from regular donations in order to give financial security to our ongoing projects.

The majority of our remaining income comes from one-off gifts from individuals and churches, grants from UK trusts, and sponsored events carried out by our team and supporters. We encourage donations to be Gift Aided wherever this is possible, and use money received from Gift Aid claims for administrative costs and staff salaries. This year money received from Gift Aid claims formed 10% of our total income.

Our expenditure continues to be negatively affected by the historically low value of sterling with respect to the dollar, as all of our expenditure in Nicaragua is in dollars. We have focused our fundraising activities this year on the medical work, to ensure that we are able to continue supporting this vital project.

We operate restricted funds for projects such as our medical work and our education and orphanage sponsorship schemes. All of the money in these funds is used for project expenditure in Nicaragua; none of it is spent on administration or other support costs. Our general fund holds enough short term reserves to last for three months, and we also hold reserves in the medical fund to enable us to pay severance payments to our nurses.

Our in-person fundraising activities this year, including giving presentations at churches around the UK, have continued to be restricted by the pandemic. Graham Knight, SIFT's Executive Officer, did a virtual 600km cycle ride across Nicaragua from the SIFT office in Seaton to raise funds for the medical work. In May 2022 Graham also did a 117 mile sponsored walk around the Cardigan Bay in Wales, again raising funds for the medical work. These two sponsored events were well supported by friends of SIFT across the UK, in particular from Crossroad Church in Seaton, and raised a total of £6,077.

One of our main fundraising tools is the SIFT Gifts catalogue, which we send out to our supporters prior to Christmas. The catalogue contains specific gifts that can be bought for the poor in Nicaragua, such as medicines for children who attend our health clinics. There is also an online version of the catalogue on the SIFT website, enabling these gifts to be bought throughout the year. This year the catalogue raised a total of £2,025, of which £1,330 was for medical gifts.

Structure, Governance and Management

Structure

SIFT is a Christian development charity which is non-governmental and apolitical. It is constituted under a trust deed dated 10th October 2002 and is registered with the Charity Commission (registration number 1094193). The Trust Deed requires that there are a minimum of three Trustees but there is no maximum.

New Trustees are chosen by the existing Board on the basis of the qualifications and experience that they can bring to the charity. The Chair of Trustees is responsible for the induction of new Trustees, giving them a firm grounding in the responsibilities of the role and an introduction to the history and ethos of SIFT. The names of the Trustees appear on the last page of this report.

Staff and Volunteers

Graham Knight is employed for four days a week as SIFT's Executive Officer, and works at the charity's office in Seaton, Devon. He has responsibility for the day-to-day administration of the charity, which includes accounting, general administration, production of promotional materials, maintenance of SIFT's website and administration of SIFT's sponsorship schemes. He also submits applications to UK grant-making trusts, seeking funds for SIFT's medical work on the island of Ometepe.

Dr Sandra Villagra is SIFT's doctor, who is responsible for the management of SIFT's health work on Ometepe. She leads a team of four nurses who serve alongside her in our clinics. Dr Sandra commutes from her home in Managua to the island of Ometepe every other week. On the weeks when Dr Sandra is in Managua the nurses can contact her by phone with any questions that they may have. When she is in Managua she purchases medicines for our clinic pharmacies. Her work also involves liaising with the Nicaraguan Ministry of Health at a local and regional level.

This year Dr Sandra has also taken on the responsibility of being SIFT's legal representative in Nicaragua, following the dismissal of our previous legal representative. We are grateful to Dr Sandra for being willing to take on the extra responsibility of overseeing SIFT's work in Nicaragua and representing SIFT before Nicaraguan government departments. We have also contracted the services of a Nicaraguan accountant, Rigoberto Solis, to help with the financial administration of SIFT in Nicaragua.

SIFT is very appreciative of the continued involvement of Margaret Storey and Ruth Ward in the education sponsorship scheme. Ruth assists the office in the production of the annual reports for

Report of the Trustees

our education sponsors and communicates with them through the year if there are changes to their child's situation. Margaret is SIFT's field worker in Bluefields; she liaises with schools and students to administer the education sponsorship scheme, and provides pastoral support to the children and their families. Due to travel restrictions caused by the coronavirus pandemic, Margaret had to live in Bluefields from March 2020 to December 2021. After some much needed time with her family in the UK, Margaret returned to Nicaragua in March 2022. We are extremely grateful for her selfless service to benefit the children of Bluefields.

Management

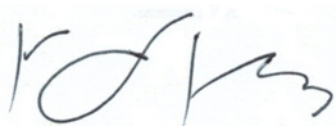
SIFT's Trustees are responsible for setting the strategy and direction for the charity, in the form of a regularly reviewed Strategic Plan. The Strategic Plan documents the mission, strategy and values of the charity and for each major project details the objectives and resources. This document underpins the annual budgetary process. In setting the Strategic Plan and in planning all of the charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit.

The Trustees are also responsible for assessing the risks associated with SIFT's current activities, both in Nicaragua and in the UK. These risks and their mitigating actions are recorded in a Risk Assessment document which is kept under review by the Trustees. The main risks are considered to be the potential for fraud, especially in Nicaragua, and the risk of accident or injury to staff and volunteers involved with SIFT's projects in Nicaragua.

SIFT has a Data Protection policy, Reserves policy and Fundraising Complaints policy, as well as a comprehensive Safeguarding policy for our work with children and vulnerable adults. All of these documents are regularly reviewed by the Trustees. In addition, all contact with SIFT's supporters, including the storage of their personal data, is carried out in accordance with GDPR legislation.

Finally the Trustees are responsible for the financial well-being of the charity, ensuring that its funds are appropriately used to fulfil the charity's objects, protecting its assets and safeguarding the credibility of SIFT so that it can continue serving the poor of Nicaragua for many years to come. We continue to do all this to the honour and glory of God.

Approved by the Trustees and signed on their behalf by:



Mark Catley
Chair of SIFT Board of Trustees

Date: 29th June 2023

Independent Accountant's Report

Seed International Fund Trust
For the Year Ended 31 August 2022

Respective Responsibilities of Trustees and Examiner

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

It is my responsibility to:

- examine the accounts (under section 43 of the Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 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 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 explanation from the 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 accounts.

Independent Examiner's Statement

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

- 1 which gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the Act); **and**
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; **or**
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Vineta Cable FCCA
HAMMETT ASSOCIATES
8-10 Queen Street
Seaton
Devon
EX12 2NY

Date: 28/06/23

Statement of Financial Affairs

For the Year Ended 31 August 2022

	Note	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Income and endowments from:					
Donations and legacies	2	34,544	72,660	107,204	109,345
Charitable activities	3	-	6,077	6,077	6,401
Other trading activities		-	-	-	-
Investments	4	-	-	-	-
Other		-	-	-	-
Total		34,544	78,737	113,281	115,746
Expenditure on:					
Raising funds	5	6,575	5,700	12,275	13,915
Charitable activities	6	35,841	63,062	98,903	95,761
Other		-	-	-	-
Total		42,416	68,762	111,178	109,676
Other recognised gains / (losses):					
Gains / (losses) on revaluation of fixed assets		-	-	-	-
Net income / (expenditure)		(7,872)	9,975	2,103	6,070
Transfers between funds		-	-	-	-
Net movement in funds		(7,872)	9,975	2,103	6,070
Reconciliation of funds:					
Total funds brought forward		119,288	87,104	206,392	200,322
Total funds carried forward		111,416	97,079	208,495	206,392

The statement of financial activities includes all gains and losses recognised in the year.

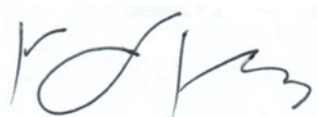
All incoming resources and resources expended derive from continuing activities.

Balance Sheet

At 31 August 2022

		31-Aug-22		31-Aug-21	
	Notes	£	£	£	£
Fixed Assets:					
Tangible Assets	7		130,573		132,334
Current Assets:					
Debtors	8	7,091		6,772	
Cash at Bank and in hand		78,505		68,193	
		<u>85,596</u>		<u>74,965</u>	
Creditors:					
Amounts falling due within one year	9	(7,674)		(907)	
Net Current Assets			77,922		74,058
Creditors:					
Amounts falling due after more than one year			-		-
Net Assets			<u>208,495</u>		<u>206,392</u>
Funds					
Restricted Funds	10		97,079		87,104
Unrestricted Funds: General Reserves			23,359		31,231
			<u>120,438</u>		<u>118,335</u>
Revaluation Reserve	11		88,057		88,057
			<u>208,495</u>		<u>206,392</u>

Approved by the Board of Trustees:



Mark Catley

Date: 29th June 2023

Statement of Cash Flows

For the Year Ended 31 August 2022

	2022 Total funds £	2021 Total funds £
Net income/(expenditure) for the period (as per the statement of financial activities)	2,103	6,070
Adjustments for:		
Depreciation charges	1,761	1,761
Loss/(profit) on the sale of fixed assets	-	-
Interest income	-	-
(Increase)/decrease in debtors	(319)	1,436
Increase/(decrease) in creditors	6,767	300
Net cash provided by (used in) operating activities	<u>10,312</u>	<u>9,567</u>
Cash flows from investing activities:		
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	-
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities:		
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Receipt of endowment	-	-
Net cash provided by (used in) financing activities	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the period	10,312	9,567
Cash and cash equivalents at the beginning of the period	68,193	58,626
Cash and cash equivalents at the end of the period	<u><u>78,505</u></u>	<u><u>68,193</u></u>
Analysis of cash and cash equivalents:		
Cash in hand	78,505	68,193
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	<u><u>78,505</u></u>	<u><u>68,193</u></u>

Notes to the Financial Statements

For the Year Ended 31 August 2022

1. Principal Accounting Policies

(a) Accounting Convention

The financial statements are prepared under the historical cost convention. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice “Accounting and Reporting by Charities” SORP (FRS102) issued in September 2019.

(b) Incoming Resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

(c) Resources Expended and Basis of Allocation of Costs

Expenditure is recognised when a liability is incurred. The majority of costs are directly attributable to specific activities.

Costs of generating funds are those costs incurred in attracting voluntary income.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating travel costs and repairs, renewals and maintenance by location in the UK or in Nicaragua, payroll and administration costs by the time spent on different activities and publicity costs solely by income generation activities.

A significant proportion of the charity’s support costs, as disclosed in note 15, relate to and directly affect charitable activities undertaken in Nicaragua.

(d) Publicity Costs

Publicity costs consist of expenditure relating to printing and reproduction and related photography expenditure.

(e) Administration and Office Expenditure

Administration expenditure consists of all office costs and related small equipment expenditure.

(f) Repairs, renewals and maintenance

Use of a suitable office for the charity has been obtained at a peppercorn monthly rental of £1. Repairs and renewals expenditure relates to the costs involved in refurbishing the office to enable administrative use for the charity. In addition this category includes maintenance costs for a motor vehicle in Nicaragua.

(g) Capitalisation and Depreciation of Tangible Fixed Assets

All assets costing more than £1,000 are capitalised. Motor vehicles are recorded at cost and are depreciated at a rate of 50% per annum on the reducing balance. No depreciation is provided on land costs and buildings are depreciated over 50 years when completely built; no depreciation is charged in the year of acquisition / addition, and a full year’s depreciation in the year of disposal.

(h) Funds Accounting

Funds held by the charity are:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

(i) Foreign Currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

Notes to the Financial Statements

For the Year Ended 31 August 2022

2. Donations, legacies and similar incoming resources

	Unrestricted Funds	Restricted Funds	2022	Unrestricted Funds	Restricted Funds	2021
	£	£	£	£	£	£
Committed giving	8,630	51,765	60,395	8,530	54,465	62,995
One-off gifts	11,470	14,045	25,515	14,387	5,599	19,986
Grants from organisations	1,318	6,850	8,168	940	13,950	14,890
Legacies	2,000	-	2,000	-	-	-
Gift Aid recoverable tax income	11,126	-	11,126	11,474	-	11,474
	34,544	72,660	107,204	35,331	74,014	109,345

3. Income from charitable activities

	Unrestricted Funds	Restricted Funds	2022	Unrestricted Funds	Restricted Funds	2021
	£	£	£	£	£	£
Fundraising events	-	6,077	6,077	-	6,401	6,401
	-	6,077	6,077	-	6,401	6,401

4. Investment income and interest

	Unrestricted Funds	Restricted Funds	2022	Unrestricted Funds	Restricted Funds	2021
	£	£	£	£	£	£
Bank interest received	-	-	-	-	-	-

5. Expenditure on raising funds

	Unrestricted Funds	Restricted Funds	2022	Unrestricted Funds	Restricted Funds	2021
	£	£	£	£	£	£
Donations, legacies and similar incoming resources:						
Support costs allocated	6,575	5,700	12,275	8,215	5,700	13,915

6. Details of charitable activities

The amount spent on charitable activities, including support costs, is analysed by project area as follows:

	Unrestricted funds				Restricted funds				2021		
	Operational projects	Support costs	Total	£	Operational projects	Support costs	Total restricted	£	Unrestricted	Restricted	Total
Orphanage	-	-	-	-	4,967	-	4,967	-	-	8,687	8,687
Sponsored children's education	-	-	-	-	19,916	-	19,916	-	-	22,009	22,009
Other education projects	-	-	-	-	-	-	-	-	-	-	-
Christian Vocational Centre	-	-	-	-	-	-	-	-	-	-	-
Islands community development	-	-	-	-	60	-	60	-	-	908	908
Children's feeding programme	300	144	444	-	-	-	-	520	-	-	520
SIFT Gifts expenditure	-	-	-	-	480	-	480	-	-	480	480
Supporting churches	-	-	-	-	-	-	-	-	-	-	-
Medical and clinic expenditure	8,486	4,063	12,549	-	37,639	-	37,639	4,425	33,664	38,089	-
Cookers project	-	-	-	-	-	-	-	-	-	-	-
Other building projects	-	-	-	-	-	-	-	-	-	-	-
Casa Rahab	5,190	2,485	7,675	-	-	-	-	10,531	-	-	10,531
Project administration in Nicaragua	7,268	7,885	15,153	-	-	-	-	14,537	-	-	14,537
	21,244	14,577	35,821		63,062	-	63,062	30,013	65,748	95,761	
Discretionary gifts in Nicaragua	16	4	20		-	-	-	-	-	-	

Notes to the Financial Statements

For the Year Ended 31 August 2022

7. Tangible fixed assets

	Land	Buildings	Motor vehicles	Total
Cost	£	£	£	£
At 1 September 2021	57,653	88,057	9,571	155,281
Additions - Revaluation	-	-	-	-
Disposals	-	-	-	-
At 31 August 2022	57,653	88,057	9,571	155,281
Accumulated depreciation				
At 1 September 2021	-	13,376	9,571	22,947
Charge for year	-	1,761	-	1,761
Disposals	-	-	-	-
At 31 August 2022	-	15,137	9,571	24,708
Net book value				
At 31 August 2022	57,653	72,920	-	130,573
At 31 August 2021	57,653	74,681	-	132,334

£28,508 of the tangible fixed assets relate to restricted funds (Islands) and £102,065 relate to unrestricted funds.

8. Debtors

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Gift Aid debtor - HMRC	6,931	-	6,931	6,632
Bank interest receivable	-	-	-	-
Prepayments	160	-	160	140
	7,091	-	7,091	6,772

9. Creditors falling due within one year

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Accruals	1,174	-	1,174	907
Loan from donor	6,500	-	6,500	-
	7,674	-	7,674	907

10. Restricted funds

	Balance at 1 Sept 2021	Incoming resources	Transfer from unrestricted funds	Programme expenditure	Balance at 31 Aug 2022
	£	£	£	£	£
Islands	47,753	240	-	(60)	47,933
Orphanage	1,030	8,635	-	(4,967)	4,698
Child Sponsorship	25,081	21,816	-	(19,916)	26,981
Team Support	229	5,760	-	(5,700)	289
SIFT Gifts	236	700	-	(480)	456
Medical	12,775	41,586	-	(37,639)	16,722
	<u>87,104</u>	<u>78,737</u>	<u>-</u>	<u>(68,762)</u>	<u>97,079</u>

Most restricted funds are for specific humanitarian, education or health projects in Nicaragua. These projects include development programmes to provide long-term sustainable benefits for a community, including health and nutrition, education projects and miscellaneous SIFT Gifts for smaller specific purposes.

11. Revaluation reserve

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Buildings	<u>88,057</u>	<u>-</u>	<u>88,057</u>	<u>88,057</u>

Legal ownership of the Ometepe clinic buildings by SIFT was established during 2012-13 and updated valuations were obtained during 2014-15.

12. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Salaries and wages	13,278	5,700	18,978	22,451
Social security costs	-	-	-	-
Pension costs	253	-	253	253
	<u>13,531</u>	<u>5,700</u>	<u>19,231</u>	<u>22,704</u>

No employees had employee benefits in excess of £60,000 (2021: £ nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment with the Trust in the period (2021: £ nil). During the period no Trustees were reimbursed for travel and admin expenses (2021: £ nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £ nil).

The key management personnel of the Trust comprise the board of trustees. There are no further staff benefits than those included in the table above, and these relate to the office staff only.

Notes to the Financial Statements

For the Year Ended 31 August 2022

13. Trustees' donations

Aggregate donations from the Trustees to the charity for the period were £1,163.11, including Gift Aid of £232.62 (2021: £868.85, including Gift Aid of £173.77).

14. Staff numbers

The average monthly head count was 2 staff (2021: 2 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2022	2021
Fundraising	-	-
Office administration and charitable activities (UK)	1	1
Office administration and charitable activities (Nicaragua)	1	1
	<u>2</u>	<u>2</u>

15. Support costs

The support costs of the charity consisted of five main elements: travel, payroll, administration and office, publicity, and repairs, renewals and maintenance. The costs have been apportioned across the work of the charity on the basis disclosed in note 1(c) and allocated to each of the charity's activities as set out in the table below.

	Travel	Payroll	Administration and office expenditure	Publicity	Repairs, renewals and maintenance	2022 Total	2021 Total
	£	£	£	£	£	£	£
Basis of apportionment	(Activity type)	(Activity type)	(Activity type)	(All income generation)	(Location)		
Charitable activities							
Operational projects in Nicaragua	1,162	9,346	4,069	-	-	14,577	17,253
Discretionary gifts in Nicaragua	1	2	1	-	-	4	-
	<u>1,163</u>	<u>9,348</u>	<u>4,070</u>	<u>-</u>	<u>-</u>	<u>14,581</u>	<u>17,253</u>
Income generation							
Donations and legacies	-	9,389	1,933	339	-	11,661	13,220
Gift Aid recoverable tax income	-	494	102	18	-	614	695
	<u>-</u>	<u>9,883</u>	<u>2,035</u>	<u>357</u>	<u>-</u>	<u>12,275</u>	<u>13,915</u>
Total costs allocated	<u>1,163</u>	<u>19,231</u>	<u>6,105</u>	<u>357</u>	<u>-</u>	<u>26,856</u>	<u>31,168</u>

Charity Information

Trustees

Mark Catley FRICS FAAV
David Joseph Langmead BA
Matthew James Farrer BA (Hons) DipArch ARB
Freja Joy Brown BA (Hons) MArchD
Anthony John Langmead

Patron

Andrew Selous MP

Registered Office

1 Harepath Road
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Charity Number

1094193

Independent Examiners

Hammett Associates
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Bank

Lloyds Bank
The Square
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Registered Charity 1094193

SEED INTERNATIONAL FUND TRUST

England & Wales - Charity number 1094193

Accounts



Annual Report & Accounts 2020 - 2021



*Sowing seeds of hope
in Nicaragua*

Trustees

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Contents

Charity Information	Page 2
About Nicaragua	Page 3
Report of the Trustees	Page 4
Independent Accountant's Report	Page 13
Statement of Financial Affairs	Page 14
Balance Sheet	Page 15
Statement of Cash Flows	Page 16
Notes to the Financial Statements	Page 17

About Nicaragua

Nicaragua has a population of 6.3 million and is the third poorest country in the Americas after Haiti and Honduras. A survey of Nicaraguan households carried out in 2019 found 44% of the population living below the poverty line¹, with 8.9% living in extreme poverty. The survey found that these figures increased significantly in rural communities, where 63% of the population are below the poverty line and 17.4% live in extreme poverty. A number of different factors contribute towards extreme poverty, with the most significant being economic dependence, overcrowded homes and a lack of access to basic services.²

The Nicaraguan government has aimed to keep the country open for business during the pandemic and consequently has not enforced any national lockdowns. Many individual Nicaraguans, however, have taken it upon themselves to wear masks, practice social distancing and stay at home where possible. The Nicaraguan Ministry of Health reports that there have been 11,916 cases of the virus and 200 deaths, but independent observations indicate that more accurate figures are 24,098 cases and 4,360 deaths³, due to many suspected cases of coronavirus being classified as pneumonia.

Although vaccines are starting to be administered in Nicaragua, with 7% of the population receiving their first dose⁴, the pandemic has had an economic impact on the country, which was still recovering from political unrest in 2018. The Nicaraguan economy contracted by 2% in 2020, particularly affecting those that work in the tourism sector and making life more uncertain for those already struggling to make ends meet.

At a national level in Nicaragua there are ten physicians for every 10,000 people, compared to 28 physicians for every 10,000 people in the UK⁵. Almost half of all health centres lack a water supply, and 35% of rural health centres do not have a reliable electricity source.⁶ The rural population face particular challenges in the area of health: 82% of rural families cook on open wood fires² (which can lead to respiratory diseases), 37% of children from these communities are undernourished, and 70% of maternal deaths occur in rural areas⁶. Maternal deaths include women who die whilst pregnant or within 6 weeks of being pregnant.

The latest UNDP statistical update for Nicaragua recognises that Nicaraguan children have far better access to education than their parents did. A child beginning school this year is anticipated to spend 12.3 years in education, whereas the average Nicaraguan aged 25 years or older only spent 6.9 years in education.⁵ Whilst attendance at primary school is compulsory, a survey of Nicaraguan households indicate that primary attendance rates are 87%. Secondary school attendance rates drop to 66% for girls and 64% for boys, and only 15% of teenagers go on to study at university¹. This reflects the fact that young people often need to choose between continuing with their education and finding work in order to financially support their families.

SIFT is working to bring hope and security to the poor of Nicaragua through projects in the areas of health, education, housing and freedom from sexual exploitation. Our projects are based on the island of Ometepe, in the town of Bluefields, and in the localities of Managua and Granada.

- (1) People living below the poverty line live on less than \$2.30 per day and those in extreme poverty live on less than \$1.15 per day.
- (2) FIDEG. 2019. *Encuesta de hogares para medir la pobreza en Nicaragua* [Online]. Managua: FIDEG. Available at <http://fideg.org/wp-content/uploads/2020/12/Informe-Pobreza-FIDEG-2019.pdf>
- (3) Observatorio Ciudadano. 2020. *Estadísticas de COVID-19 en Nicaragua* [Online]. Available at: <https://observatorioni.org/estadisticas-covid-19-nicaragua>
- (4) Global Change Data Lab. 2021. *Coronavirus (COVID-19) Vaccinations – Our World in Data* [Online]. Available at <https://ourworldindata.org/covid-vaccinations?country=NIC>
- (5) UNDP. 2020. *Human Development Report 2020* [Online]. New York: UNDP. Available at: <http://hdr.undp.org/sites/default/files/hdr2020.pdf>
- (6) Sequeira M, Espinoza H, Amador JJ, Domingo G, Quintanilla M, and de los Santos T. 2011. *The Nicaraguan Health System* [Online]. Seattle, Washington: PATH. Available at: <https://path.azureedge.net/media/documents/TS-nicaragua-health-system-rpt.pdf>

Report of the Trustees

Mission, Objectives, Strategy and Activities

Mission

SIFT's mission is to transform the lives of the poor in Nicaragua by focussed activity in specific areas and communities of need.

Objectives

The Trustees hold the trust fund and its income upon trust to apply them for the following objectives:

1. To relieve poverty.
2. To advance the Christian religion.
3. To facilitate the protection and preservation of good health.
4. To facilitate education.



Strategy

SIFT's overall strategy to satisfy these charitable objectives is:

To use SIFT funds and resources to help to draw Nicaraguans out of material and spiritual poverty, by supporting indigenous individuals, groups or Churches in projects to benefit the poor.

Activities

Throughout the year SIFT has worked with beneficiaries and indigenous organisations, including local government and other NGOs, to assess needs and to ensure solutions are developed and implemented which will be of sustainable public benefit. Our main activities for this year to fulfil the objectives were:

- Providing primary healthcare facilities on the island of Ometepe.
- Sponsoring the education of children and young people in Bluefields.
- Supporting an orphanage near Managua.
- Progressing options to re-house poor and displaced islander families on the Asese Peninsula.
- Supporting Christians and churches in various areas of the country and providing funding for their ministries.

Details of these activities and achievements this year appear in the following pages.

Activities, Achievements and Performance

Health

SIFT provides primary healthcare in three rural communities on the island of Ometepe in Lake Nicaragua which is home to around 35,000 people, with around 39% of the population living in extreme poverty. The island has limited state-funded health facilities and, more importantly, patients have to pay for their medicines, putting treatment out of the reach of the most vulnerable in society. In contrast to this, patients who come to a SIFT clinic only pay an affordable consultation fee to see our doctor, Sandra Villagra. This fee is waived if they cannot afford it as we do not want a lack of money to prevent someone from being treated. Any medicines that patients require are prescribed to them free of charge.

SIFT's health clinics are located in the communities of Las Pilas, San José del Sur and El Corozal. They are staffed by Dr Sandra Villagra and our team of seven local nurses. Four of our nurses have graduated from university with a professional nursing qualification, which allows them to hold consultations and dispense medicines when Dr Sandra is not at the clinic. During 2020-21 our nursing team saw a total of 2,836 patients.

In previous years our nursing team have been joined by brigades of students from Carthage College in Wisconsin. During these visits the students experience the provision of healthcare in the developing world as they assist our nurses with consultations. Sadly the pandemic prevented any such visits from Carthage College this year but we hope that these will resume in 2022.



Dr Sandra with a patient at Las Pilas clinic

In order to keep our staff and patients safe during the ongoing coronavirus pandemic our medical team have been provided with items of personal protective equipment, including face masks, plastic aprons and disposable gloves. When taking patient's vital signs, our nurses use infrared thermometers and fingertip pulse oximeters in order to minimise contact between the nurses and patients. Patients have also been encouraged to wear masks when attending the clinics, to maintain social distancing and to wash their hands on arrival.

Whilst patients are waiting for their appointments our nurses are available to provide them with a listening ear, advice and pastoral care, which has been particularly valuable given the uncertainty and stress caused by the pandemic. Patients appreciate being able to share their concerns with our nurses, and often request prayer for the situations that they are facing. Our nurses also give short talks to the patients in order to teach them practical ways to avoid diseases and live healthy lives. These talks are on topics such as hand-washing, good nutrition and ways to reduce the chance of contracting coronavirus and common tropical diseases such as dengue fever.

Before the onset of the pandemic, our nursing team at Las Pilas clinic ran a fortnightly luncheon club for seniors, which was attended by between 15 and 20 elderly people. This club was started after our nurses noticed that the older generation tended to be excluded from village life. The club aimed to combat the loneliness that this could cause by providing a place where the seniors could renew friendships with their contemporaries. The seniors received a hot meal and were also given practical health advice in the form of a short talk by Dr Sandra or one of the nurses.

During the worst periods of the pandemic on Ometepe, Dr Sandra suspended the luncheon club in order to protect the seniors from potential exposure to coronavirus. However the nursing team were keen to continue supporting the members of the group, both physically and pastorally, and so have carried out regular home visits. These visits have allowed the nurses to continue monitoring the health of the seniors, providing them with appropriate medication for any chronic conditions they have, and also to support and encourage them during this difficult time.

Report of the Trustees

The nursing team at our clinic in El Corozal run a fortnightly club for expectant mothers. As the villages in this part of the island are furthest from the main health centres it is especially important that mothers-to-be know what to expect during pregnancy, including how to recognise signs of potential complications. At the sessions the nurses are able to monitor the women during their pregnancies and provide them with antenatal advice and emotional support, including prayer when this is requested. Our nurses teach the ladies about good nutrition, for themselves and their families, and the importance of vaccinating their children. As the women approach their due date Dr Sandra is able to give them an ultrasound scan, using SIFT's portable ultrasound monitor.

Around 42% of the income for our health clinics comes from regular donations from our supporters. Many of the people who give to SIFT in this way do so through one of our medical sponsorship schemes. Sponsors pay a suggested monthly donation of £15 to support either Dr Sandra or one of our nurses. Each year we send them a medical update, which includes personal reflections from their sponsored team member on the work of our health clinics.

We also seek funding for the medical work from grant-making trusts in the UK. This year we received grants totalling £13,950, which represents 33% of our total medical income. We are extremely grateful to the George Muller Charitable Trust, the Farthing Trust, the Hugh Symons Charitable Trust, the RG Hills Charitable Trust, the Sembrador Charitable Trust and the Souter Charitable Trust for partnering with us to provide healthcare to the people of Ometepe.

Finca El Rayo - Asese Peninsula

The city of Granada, on the north-western shore of Lake Nicaragua, is one of the main cities in Nicaragua. Just outside the city lies the three-mile long Asese Peninsula which is surrounded by 360 small islands, known as Las Isletas de Granada (the Little Islands of Granada). Many of these islands are inhabited, but the poor families who live on them do not have legal ownership of the land that they have lived on for generations.



A holiday home on an island around the Asese peninsula

As Granada is a popular tourist destination, and the Asese peninsula is a particularly beautiful area, some of the islands have been bought and developed into eco-tourist resorts, restaurants or holiday homes. This has left many islander families facing the prospect of being evicted from their homes at short notice, with only minimal compensation being awarded to them. Due to their limited financial resources, a family evicted from their island home might end up having to live in the slums of Granada. Some of the new owners of the islands have allowed resident families to remain on their islands as caretakers, but this is only a temporary arrangement and offers the families little long-term security.

SIFT owns a plot of land on the Asese peninsula, called Finca El Rayo, which we are planning to use to provide up to 50 of the affected islander families with new homes that will be legally theirs. Since many of the families rely on fishing for food and to bring in a small income, having a plot of land with lake access is essential to enable them to continue with their traditional way of life. A full environmental impact assessment has been carried out for the project and flood defences have been constructed to prevent flooding of the housing area even when water levels in Lake Nicaragua are exceptionally high.

A committee of the beneficiaries has been established to deal with the practical and social issues that may occur during both the construction phase and the formation of the new community. During this year our Nicaraguan representative, Jacobo Sanchez, has met with the committee on a number of occasions to update them on the status of the project and seek their continued input.

The next stage of the project involves transferring the legal ownership of the individual plots of land to the beneficiary families. Unfortunately the legal steps involved in this process have taken much longer than we expected, but we hope that all the necessary paperwork will be in place during the coming year. Following this step, and as funding allows, the construction of the houses will commence.

Hogar de Fe Orphanage

The Hogar de Fe (Home of Faith) Orphanage was founded in 1992 by Pastor Ramiro Blandon and his wife Conchita after a baby was abandoned on their doorstep. The Orphanage is situated in the town of Los Brasiles, near to Managua, and is home to up to 50 children and young people. In recent years the running of the Orphanage has been handed over to Ramiro's son, Isaac, and a team of local Christians.

We were saddened to learn that Conchita Blandon passed away in March 2021 after suffering a heart attack. She was a wonderful Christian lady who was a mother to the many children who have lived at the Hogar de Fe Orphanage over the past three decades.

The children who live at Hogar de Fe come from troubled backgrounds; some of them are full orphans and others are not able to be supported by their families. Regardless of their past, they are welcomed into a loving Christian family at Hogar de Fe and are given every opportunity to develop to their full potential. The older students live in two "transition houses", close to the main Orphanage buildings, to give them some experience of independent living whilst they attend university in Managua.

The team of Christian workers at Hogar de Fe are keen to ensure that the children learn a variety of life skills during their time at the Orphanage and organise educational talks through the year on topics such as communication, self-esteem, crafts and cooking. The children assist with the laundry at the Orphanage, supervised by members of the team, and some of the teenagers help to prepare the food in the kitchen. The children also receive four hours of English lessons each week and music classes at the weekends.

In addition to their studies at school, the children receive regular computing classes through the week in the Orphanage's computer room. The teenagers learn how to use common applications, such as Word and PowerPoint, and some of them also have taken a course in computer repair and maintenance. The computer suite is also a blessing to children from the neighbouring Josue 1:8 school. In 2020 a total of 417 children and young people took computing classes, with those at the highest level receiving a nationally recognised computing qualification.

As the children have come from broken homes and challenging family situations, it is especially important that they receive tailored psychological and emotional care. One of the team members at Hogar de Fe is a trained child psychologist and she has regular sessions with the children to help them deal with any issues that they are facing.

The team also care for the children spiritually by leading them in daily devotions, reading Bible stories to them at bedtime, and encouraging them to be fully involved in the life of Pastor Ramiro's church.

The neighbouring school is also administered by members of Ramiro Blandon's family and is open to both the children at the Orphanage and those from the local community. It is a very popular and well-resourced school, and has a dedicated class for children with special educational needs. When the children return to the Orphanage after school, they spend time doing their homework. Some of



Children learning computer skills in the computer room

Report of the Trustees

the team members at Hogar de Fe are educational assistants, who help the children to understand their studies.

Isaac and the team at Hogar de Fe have continued to monitor the national and local coronavirus situation, quarantining the Orphanage when appropriate in order to protect the children from any outbreaks of coronavirus in the local area.

SIFT is one of a number of international organisations that support the Hogar de Fe Orphanage. Through SIFT's orphanage sponsorship scheme, 27 individuals and one church support Hogar de Fe on a regular basis, with all funds raised from this scheme going towards the general running costs of the Orphanage. Each year the sponsors receive an update about the work of Hogar de Fe and a new photograph of their sponsored child. We are also grateful to the George Muller Charitable Trust who provide us with regular funds to support this very deserving cause.

Education Sponsorship

SIFT's work in Nicaragua started when our founder, Dick Bell, was asked for help with the costs of schooling by a child living in the town of Bluefields, on the Caribbean coast of Nicaragua. Bluefields is home to around 40,000 people but suffers from high levels of unemployment and underemployment. In the last national census it was discovered that only 29% of the working population of Bluefields had full-time employment, with a further 14% only finding occasional employment. The economic effects of the coronavirus pandemic will have only made life harder for families that rely on finding temporary labour to meet their financial needs.



One of SIFT's sponsored students at school

Nicaraguan state schools have been free to attend since 2007, which has made it easier for children from all backgrounds to receive a basic education. However these schools tend not to be fully resourced and can also have large class sizes, affecting the quality of education that the children receive. For those families that can afford it, attending a fee-paying school provides their children with a better standard of education, but this opportunity is out of the reach of the poorest in society.

SIFT's education sponsorship scheme enables children from disadvantaged families in Bluefields to attend fee-paying schools. It is our hope that having a foundation of good education will enable them to find employment and thus be able to support their families. All of the schools that our sponsored students attend are affiliated with churches in Bluefields and so the children receive a Christian education in addition to the state curriculum. Of the 121 children that we sponsor in Bluefields, 40 attend primary school, 59 attend secondary school and 22 are university students.

The coronavirus pandemic has continued to affect the provision of education for our sponsored students this year. During much of the 2020 academic year the schools ran online classes for their students if they had access to the internet; otherwise weekly worksheets could be obtained from the schools. At the start of 2021 the schools decided to open again but, as cases of coronavirus in Bluefields rose, they changed to a two day week in class with three days of online studies. Children had to wear masks while in class and they were encouraged to wash their hands regularly. We hope that the provision of some in-person teaching through the year will have helped those children who struggle to study at home. In addition we were pleased to learn that all of the children in Bluefields have been offered a coronavirus vaccine.

The progress of our sponsored students' education is monitored by our voluntary field worker, Margaret Storey, who normally lives in Bluefields from March to November each year. Due to the travel restrictions brought about by the pandemic, Margaret was not able to return to the UK in

November 2020 and so continued to live in Bluefields. Margaret contacts all of the schools on a monthly basis, informing the UK office if a child has left school or is experiencing difficulties in their education. She also stays in contact with our university students, providing them with funds when they incur expenses on their courses. We are extremely grateful for Margaret's service in Bluefields, especially during this challenging period, and for all of the pastoral support that she gives to the children of Bluefields and their families.

We are very grateful to the 107 sponsors who regularly donate to the education sponsorship fund. Each sponsor receives an annual update about their sponsored child, which includes a recent photograph and news about their child's progress. The annual updates are written by Margaret Storey and we are grateful to Ruth Ward who assists in sending the updates out to sponsors. During the year Ruth also liaises with sponsors if there are changes to their child's situation.

Supporting Nicaraguan Christians and churches

SIFT seeks to support Nicaraguan Christians and churches as they practically demonstrate the love of Jesus to their fellow Nicaraguans. We recognise the value of working through local Nicaraguans, as they are aware of the needs that exist in their communities and are able to respond to those needs in culturally appropriate ways.

This year we supported two such ministries:

1. Casa Rahab, Granada

The city of Granada, with its mix of colonial architecture and historical sights, is one of the most popular tourist destinations in Nicaragua. Unfortunately some of the tourists who visit Granada do so looking for sex and this places young women and girls at risk of becoming caught up in the sex trade. These women may even be forced into this way of life by their own families, who are desperate for a source of income.

SIFT supports Casa Rahab (Rahab's House), a Christian day centre that works with girls whose lives have been affected by involvement in the sex trade. The team, led by Valeria Lopez, seek to support these girls in a safe Christian environment and help them to rebuild their lives. Between 10 and 15 girls are helped at Casa Rahab at any one time.

The centre's psychologist plans a programme of individual therapy for each girl, designed to help them recover from the trauma that they have experienced. In group sessions the team help the girls to re-imagine their lives, thinking about what they would like to achieve and what sort of people they want to be. As well as these individual and group counselling sessions the girls are given support to deal with any problems they are having with their families. Sometimes the team are able to work with the families and offer them parenting classes.

The team recognise the importance of education in providing these girls with a brighter future. Therefore they encourage them to attend school and to take their studies seriously. The daily sessions at Casa Rahab include time to do school work and the team also help the girls to catch up with any schooling which they have missed. The craft teacher does craft activities with the girls both as a form of therapy and as a way to teach them new skills. The girls are also taught life skills, such as how to cook healthy meals and how to take care of a home.

Casa Rahab has been closed at points during the past year, when cases of coronavirus in Nicaragua have been at their greatest, in order to protect the health of the team and the girls.



One of the workers at
Casa Rahab

Report of the Trustees

SIFT is pleased to be able to continue supporting the ministry of Casa Rahab by funding the salary of the sewing teacher and psychologist, and we are particularly grateful to the individuals who give specifically to support this valuable project.

2. Feeding Programme, Urbaite

For many years a feeding programme has been run on the island of Ometepe at the house of Julita Alemán, providing primary school children from the villages of Urbaite and Las Pilas with some of the vitamins that are missing from their diets. Families on Ometepe typically eat rice, beans and maize, but only eat limited amounts of meat and vegetables.

Following the sad death of Julita Alemán in 2020, the ministry of the feeding programme has been taken on by AIBECA, a Central American Association of Evangelical churches, who run a number of churches on the island of Ometepe. The team of local Christian workers at the feeding programme is led by Ezequias Castillo, Julita's nephew. On Tuesday and Thursday afternoons they serve a glass of high-vitamin milk to around 80 primary aged children. In addition they aim to work with the mothers in the community to provide a plate of food to the children on Mondays and Fridays.

Before the onset of the pandemic, the feeding programme sessions would include activities for the children, such as singing Christian choruses and listening to a Bible story. However the team felt that gathering all of the children together was not wise whilst cases of coronavirus were high on the island, and so have chosen to just serve the food and milk to the children. It is hoped that the Christian activities will be able to resume as cases of coronavirus decrease and more people on the island receive their vaccinations.

Financial Review

SIFT relies upon the generosity of our supporters in the UK to be able to continue serving the poor of Nicaragua. We would like to express our gratitude to the many individuals, churches and trusts in the UK who have donated to SIFT over the past year.

Our overall income for the year was 2% lower than last year. This was mainly due to a reduction in the number of one-off gifts received during the year for restricted funds.

Regular giving to SIFT formed 54% of our income this year. Most people who support SIFT on a regular basis do so by giving towards a particular project, such as sponsoring a child's education or supporting our medical work, but we do also have some regular unrestricted income. We are conscious of the need to increase the overall proportion of our income that comes from regular donations in order to give our ongoing work greater financial security.

The majority of our remaining income comes from one-off gifts from individuals and churches, grants from UK trusts, and sponsored events carried out by our team and supporters. We encourage donations to be Gift Aided wherever this is possible, and use money received from Gift Aid claims for administrative costs and staff salaries. This year money received from Gift Aid claims formed 10% of our total income.

All of our operational expenditure in Nicaragua is in dollars, and so continues to be negatively affected by the low value of sterling with respect to the dollar. We have focused our fundraising activities this year on the medical work, to ensure that we are able to continue supporting this vital project.

We operate restricted funds for projects such as our medical work and our education and orphanage sponsorship schemes. All of the money in these funds is used for project expenditure in Nicaragua; none of it is spent on administration or other support costs. Our general fund holds enough short

term reserves to last for three months, and we also hold reserves in the medical fund to enable us to pay severance payments to our nurses.

Our in-person fundraising activities this year, including giving presentations at churches around the UK, have continued to be restricted by the pandemic. Graham Knight, SIFT's Executive Officer, did two virtual sponsored walks on a treadmill at his house to raise funds for the medical work. These sponsored events were very well supported, particularly by members of Crossroad Church in Seaton, and financially made up for us not being able to run other fundraising activities.

One of our main fundraising tools is the SIFT Gifts catalogue, which we send out to our supporters prior to Christmas. The catalogue contains specific gifts that can be bought for the poor in Nicaragua, such as medicines for children who attend our health clinics. There is also an online version of the catalogue on the SIFT website, enabling these gifts to be bought throughout the year. The catalogue raised a total of £2,090, of which £1,370 was for medical gifts.

Structure, Governance and Management

Structure

SIFT is a Christian development charity which is non-governmental and apolitical. It is constituted under a trust deed dated 10th October 2002 and is registered with the Charity Commission (registration number 1094193). The Trust Deed requires that there are a minimum of three Trustees but there is no maximum.

New Trustees are chosen by the existing Board on the basis of the qualifications and experience that they can bring to the charity. The Chair of Trustees is responsible for the induction of new Trustees, giving them a firm grounding in the responsibilities of the role and an introduction to the history and ethos of SIFT. The names of the Trustees appear on the last page of this report.

Staff and Volunteers

Graham Knight is employed for four days a week as SIFT's Executive Officer, working at the charity's office in Seaton, Devon. He has responsibility for the day-to-day administration of the charity, which includes accounting, general administration, production of promotional materials, maintenance of SIFT's website and administration of SIFT's sponsorship schemes. He also submits applications to UK grant-making trusts, seeking funds for SIFT's medical work on the island of Ometepe and the ministry of Casa Rahab in Granada.

Dr Sandra Villagra is SIFT's doctor, who is responsible for the management of SIFT's health work on Ometepe. She leads a team of seven nurses who serve alongside her in our three clinics. Dr Sandra commutes from her home in Managua to the island of Ometepe every other week. On the weeks when Dr Sandra is in Managua the nurses can still contact her by phone with any questions that they may have. When she is in Managua she purchases medicines for our clinic pharmacies. Her work also involves liaising with the Nicaraguan Ministry of Health at a local and regional level.

Jacobo Sanchez is SIFT's official representative in Nicaragua and is employed by the charity for two days each week. His role includes administering SIFT's finances in Nicaragua, fulfilling our regulatory requirements as an NGO with the Nicaraguan government and overseeing the majority of SIFT's projects.

SIFT continues to be grateful for the involvement of Margaret Storey and Ruth Ward in SIFT's education sponsorship scheme. Due to travel restrictions caused by the coronavirus pandemic, Margaret lived in Bluefields as our field worker for all of this financial year. Margaret liaises with

Report of the Trustees

schools and university students to administer the education sponsorship scheme, and provides pastoral support to the children and their wider families. Ruth assists the office in the production of the annual reports for our education sponsors and communicates with them through the year if there are changes to their child's situation.

Management

SIFT's Trustees are responsible for setting the strategy and direction for the charity, in the form of a regularly reviewed Strategic Plan. The Strategic Plan documents the mission, strategy and values of the charity and for each major project details the objectives and resources. This document underpins the annual budgetary process. In setting the Strategic Plan and in planning all of the charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit.

The Trustees are also responsible for assessing the risks associated with SIFT's current activities, both in Nicaragua and in the UK. These risks and their mitigating actions are recorded in a Risk Assessment document which is kept under review by the Trustees. The main risks are considered to be the potential for fraud, especially in Nicaragua, and the risk of accident or injury to staff and volunteers involved with SIFT's projects in Nicaragua.

SIFT has a Data Protection policy, Reserves policy and Fundraising Complaints policy, as well as a comprehensive Safeguarding policy for our work with children and vulnerable adults. All of these documents are regularly reviewed by the Trustees. In addition, all contact with SIFT's supporters, including the storage of their personal data, is carried out in accordance with GDPR legislation.

Finally the Trustees are responsible for the financial well-being of the charity, ensuring that its funds are appropriately used to fulfil the charity's objects, protecting its assets and safeguarding the credibility of SIFT so that it can continue serving the poor of Nicaragua for many years to come. We continue to do all this to the honour and glory of God.

Approved by the Trustees and signed on their behalf by:



Mark Catley
Chair of SIFT Board of Trustees

Date: 29th June 2022

Independent Accountant's Report

Seed International Fund Trust

For the Year Ended 31 August 2021

Respective Responsibilities of Trustees and Examiner

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

It is my responsibility to:

- examine the accounts (under section 43 of the Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 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 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 explanation from the 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 accounts.

Independent Examiner's Statement

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

- 1 which gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the Act); **and**
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; **or**
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Vineta Cable FCCA
HAMMETT ASSOCIATES
8-10 Queen Street
Seaton
Devon
EX12 2NY

Date: 29/06/22

Statement of Financial Affairs

For the Year Ended 31 August 2021

	Note	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Income and endowments from:					
Donations and legacies	2	35,331	74,014	109,345	109,822
Charitable activities	3	-	6,401	6,401	7,994
Other trading activities		-	-	-	-
Investments	4	-	-	-	-
Other		-	-	-	-
Total		35,331	80,415	115,746	117,816
Expenditure on:					
Raising funds	5	8,215	5,700	13,915	13,553
Charitable activities	6	30,013	65,748	95,761	126,480
Other		-	-	-	-
Total		38,228	71,448	109,676	140,033
Other recognised gains / (losses):					
Gains / (losses) on revaluation of fixed assets		-	-	-	-
Net income / (expenditure)		(2,897)	8,967	6,070	(22,217)
Transfers between funds		-	-	-	-
Net movement in funds		(2,897)	8,967	6,070	(22,217)
Reconciliation of funds:					
Total funds brought forward		122,185	78,137	200,322	222,539
Total funds carried forward		119,288	87,104	206,392	200,322

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

Balance Sheet

At 31 August 2021

		31-Aug-21		31-Aug-20	
	Notes	£	£	£	£
Fixed Assets:					
Tangible Assets	7		132,334		134,095
Current Assets:					
Debtors	8	6,772		8,208	
Cash at Bank and in hand		68,193		58,626	
		<u>74,965</u>		<u>66,834</u>	
Creditors:					
Amounts falling due within one year	9	(907)		(607)	
Net Current Assets			74,058		66,227
Creditors:					
Amounts falling due after more than one year			-		-
Net Assets			<u><u>206,392</u></u>		<u><u>200,322</u></u>
Funds					
Restricted Funds	10		87,104		78,137
Unrestricted Funds: General Reserves			31,231		34,128
			<u>118,335</u>		<u>112,265</u>
Revaluation Reserve	11		88,057		88,057
			<u><u>206,392</u></u>		<u><u>200,322</u></u>

Approved by the Board of Trustees:



Mark Catley

Date: 29th June 2022

Statement of Cash Flows

For the Year Ended 31 August 2021

	2021 Total funds £	2020 Total funds £
Net income/(expenditure) for the period (as per the statement of financial activities)	6,070	(22,217)
Adjustments for:		
Depreciation charges	1,761	1,764
Loss/(profit) on the sale of fixed assets	-	-
Interest income	-	-
(Increase)/decrease in debtors	1,436	(243)
Increase/(decrease) in creditors	300	-
Net cash provided by (used in) operating activities	9,567	(20,696)
Cash flows from investing activities:		
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	-
Net cash provided by (used in) investing activities	-	-
Cash flows from financing activities:		
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Receipt of endowment	-	-
Net cash provided by (used in) financing activities	-	-
Change in cash and cash equivalents in the period	9,567	(20,696)
Cash and cash equivalents at the beginning of the period	58,626	79,322
Cash and cash equivalents at the end of the period	68,193	58,626
Analysis of cash and cash equivalents:		
Cash in hand	68,193	58,626
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	68,193	58,626

Notes to the Financial Statements

For the Year Ended 31 August 2021

1. Principal Accounting Policies

(a) Accounting Convention

The financial statements are prepared under the historical cost convention. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice “Accounting and Reporting by Charities” SORP (FRS102) issued in September 2019.

(b) Incoming Resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

(c) Resources Expended and Basis of Allocation of Costs

Expenditure is recognised when a liability is incurred. The majority of costs are directly attributable to specific activities.

Costs of generating funds are those costs incurred in attracting voluntary income.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating travel costs and repairs, renewals and maintenance by location in the UK or in Nicaragua, payroll and administration costs by the time spent on different activities and publicity costs solely by income generation activities.

A significant proportion of the charity’s support costs, as disclosed in note 15, relate to and directly affect charitable activities undertaken in Nicaragua.

(d) Publicity Costs

Publicity costs consist of expenditure relating to printing and reproduction and related photography expenditure.

(e) Administration and Office Expenditure

Administration expenditure consists of all office costs and related small equipment expenditure.

(f) Repairs, renewals and maintenance

Use of a suitable office for the charity has been obtained at a peppercorn monthly rental of £1. Repairs and renewals expenditure relates to the costs involved in refurbishing the office to enable administrative use for the charity. In addition this category includes maintenance costs for a motor vehicle in Nicaragua.

(g) Capitalisation and Depreciation of Tangible Fixed Assets

All assets costing more than £1,000 are capitalised. Motor vehicles are recorded at cost and are depreciated at a rate of 50% per annum on the reducing balance. No depreciation is provided on land costs and buildings are depreciated over 50 years when completely built; no depreciation is charged in the year of acquisition / addition, and a full year’s depreciation in the year of disposal.

(h) Funds Accounting

Funds held by the charity are:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

(i) Foreign Currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

Notes to the Financial Statements

For the Year Ended 31 August 2021

2. Donations, legacies and similar incoming resources

	Unrestricted Funds £	Restricted Funds £	2021 £	Unrestricted Funds £	Restricted Funds £	2020 £
Committed giving	8,530	54,465	62,995	8,231	54,673	62,904
One-off gifts	14,387	5,599	19,986	14,024	9,793	23,817
Grants from organisations	940	13,950	14,890	914	9,900	10,814
Legacies	-	-	-	-	-	-
Gift Aid recoverable tax income	11,474	-	11,474	12,287	-	12,287
	35,331	74,014	109,345	35,456	74,366	109,822

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2021 £	Unrestricted Funds £	Restricted Funds £	2020 £
Fundraising events	-	6,401	6,401	-	7,994	7,994
	-	6,401	6,401	-	7,994	7,994

4. Investment income and interest

	Unrestricted Funds £	Restricted Funds £	2021 £	Unrestricted Funds £	Restricted Funds £	2020 £
Bank interest received	-	-	-	-	-	-

5. Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	2021 £	Unrestricted Funds £	Restricted Funds £	2020 £
Donations, legacies and similar incoming resources:						
Support costs allocated	8,215	5,700	13,915	7,803	5,750	13,553

6. Details of charitable activities

The amount spent on charitable activities, including support costs, is analysed by project area as follows:

	Unrestricted funds					Restricted funds					2020		
	Operational projects	Support costs	Total	Operational projects	Support costs	Total	Operational projects	Support costs	Total	restricted	Unrestricted	Restricted	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
Orphanage	-	-	-	8,687	-	8,687	-	-	8,687	-	-	8,600	8,600
Sponsored children's education	-	-	-	22,009	-	22,009	-	-	22,009	-	-	23,388	23,388
Other education projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Christian Vocational Centre	-	-	-	-	-	-	-	-	-	-	-	-	-
Islands community development	-	-	-	908	-	908	-	-	908	-	-	241	241
Children's feeding programme	300	220	520	-	-	-	-	-	-	1,259	-	-	1,259
SIFT Gifts expenditure	-	-	-	480	-	480	-	-	480	-	-	658	658
Supporting churches	-	-	-	-	-	-	-	-	-	21	-	-	21
Medical and clinic expenditure	2,551	1,874	4,425	33,664	-	33,664	-	-	33,664	3,242	62,491	65,733	65,733
Cookers project	-	-	-	-	-	-	-	-	-	-	-	-	-
Other building projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Casa Rahab	6,071	4,460	10,531	-	-	-	-	-	-	10,775	-	-	10,775
Project administration in Nicaragua	3,838	10,699	14,537	-	-	-	-	-	-	15,570	-	-	15,570
	12,760	17,253	30,013	65,748	-	65,748	-	-	65,748	30,867	95,378	126,245	126,245
Discretionary gifts in Nicaragua	-	-	-	-	-	-	-	-	-	235	-	-	235

Notes to the Financial Statements

For the Year Ended 31 August 2021

7. Tangible fixed assets

	Land	Buildings	Motor vehicles	Total
Cost	£	£	£	£
At 1 September 2020	57,653	88,057	9,571	155,281
Additions - Revaluation	-	-	-	-
Disposals	-	-	-	-
At 31 August 2021	57,653	88,057	9,571	155,281
Accumulated depreciation				
At 1 September 2020	-	11,615	9,571	21,186
Charge for year	-	1,761	-	1,761
Disposals	-	-	-	-
At 31 August 2021	-	13,376	9,571	22,947
Net book value				
At 31 August 2021	57,653	74,681	-	132,334
At 31 August 2020	57,653	76,442	-	134,095

£28,508 of the tangible fixed assets relate to restricted funds (Islands) and £103,826 relate to unrestricted funds.

8. Debtors

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Gift Aid debtor - HMRC	6,632	-	6,632	8,080
Bank interest receivable	-	-	-	-
Prepayments	140	-	140	128
	6,772	-	6,772	8,208

9. Creditors falling due within one year

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Accruals	907	-	907	607
	907	-	907	607

10. Restricted funds

	Balance at 1 Sept 2020	Incoming resources	Transfer from unrestricted funds	Programme expenditure	Balance at 31 Aug 2021
	£	£	£	£	£
Islands	48,421	240	-	(908)	47,753
Orphanage	1,333	8,384	-	(8,687)	1,030
Child Sponsorship	24,077	23,013	-	(22,009)	25,081
Team Support	69	5,860	-	(5,700)	229
SIFT Gifts	-	716	-	(480)	236
Medical	4,237	42,202	-	(33,664)	12,775
	<u>78,137</u>	<u>80,415</u>	<u>-</u>	<u>(71,448)</u>	<u>87,104</u>

Most restricted funds are for specific humanitarian, education or health projects in Nicaragua. These projects include development programmes to provide long-term sustainable benefits for a community, including health and nutrition, education projects and miscellaneous SIFT Gifts for smaller specific purposes.

11. Revaluation reserve

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Buildings	<u>88,057</u>	<u>-</u>	<u>88,057</u>	<u>88,057</u>

Legal ownership of the Ometepe clinic buildings by SIFT was established during 2012-13 and updated valuations were obtained during 2014-15.

12. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Salaries and wages	16,751	5,700	22,451	23,034
Social security costs	-	-	-	-
Pension costs	253	-	253	253
	<u>17,004</u>	<u>5,700</u>	<u>22,704</u>	<u>23,287</u>

No employees had employee benefits in excess of £60,000 (2020: £ nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment with the Trust in the period (2020: £ nil). During the period no Trustees were reimbursed for travel and admin expenses (2020: £ nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £ nil).

The key management personnel of the Trust comprise the board of trustees. There are no further staff benefits than those included in the table above, and these relate to the office staff only.

Notes to the Financial Statements

For the Year Ended 31 August 2010

13. Trustees' donations

Aggregate donations from the Trustees to the charity for the period were £868.85, including Gift Aid of £173.77 (2020: £664.35, including Gift Aid of £132.87).

14. Staff numbers

The average monthly head count was 2 staff (2020: 2 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2021	2020
Fundraising	-	-
Office administration and charitable activities (UK)	1	1
Office administration and charitable activities (Nicaragua)	1	1
	<u>2</u>	<u>2</u>

15. Support costs

The support costs of the charity consisted of five main elements: travel, payroll, administration and office, publicity, and repairs, renewals and maintenance. The costs have been apportioned across the work of the charity on the basis disclosed in note 1(c) and allocated to each of the charity's activities as set out in the table below.

	Travel	Payroll	Administration and office expenditure	Publicity	Repairs, renewals and maintenance	2021 Total	2020 Total
	£	£	£	£	£	£	£
Basis of apportionment	(Activity type)	(Activity type)	(Activity type)	(All income generation)	(Location)		
Charitable activities							
Operational projects in Nicaragua	2,007	12,822	1,892	-	532	17,253	17,300
Discretionary gifts in Nicaragua	-	-	-	-	-	-	32
	<u>2,007</u>	<u>12,822</u>	<u>1,892</u>	<u>-</u>	<u>532</u>	<u>17,253</u>	<u>17,332</u>
Income generation							
Donations and legacies	-	9,388	3,594	238	-	13,220	12,876
Gift Aid recoverable tax income	-	494	189	12	-	695	677
	<u>-</u>	<u>9,882</u>	<u>3,783</u>	<u>250</u>	<u>-</u>	<u>13,915</u>	<u>13,553</u>
Total costs allocated	<u>2,007</u>	<u>22,704</u>	<u>5,675</u>	<u>250</u>	<u>532</u>	<u>31,168</u>	<u>30,885</u>



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Registered Charity 1094193

SEED INTERNATIONAL FUND TRUST

England & Wales - Charity number 1094193

Accounts



Annual Report & Accounts 2019 - 2020



*Sowing seeds of hope
in Nicaragua*

Foreword by SIFT's Patron

Andrew Selous MP



Andrew Selous MP

As I write this short foreword for the 2019/20 SIFT Report, the coronavirus pandemic has its claws firmly clenched around the world and is endeavouring to cause havoc wherever it spreads. SIFT has not been immune to the onslaught and I am immensely grateful to all within the Charity who have dealt with the aftermath, both physical and financial.

The Charity is still financially stable thanks to all who sacrificially give and to fundraisers, particularly Graham Knight, our Executive Officer, who has walked many miles in his front room (and virtually around Nicaragua) to keep us afloat.

I am also grateful for Dra Sandra Villagra and our nurses on Ometepe for their fortitude in dealing with coronavirus in all its forms and the general health of islanders, for Margaret Storey who has had an enforced extended stay in Bluefields – she has an incredible tenacity and a wonderfully gracious spirit – her work on writing reports for sponsors and encouraging students and their families is wonderful.

Thank you, too, to all those behind the scenes who keep the Charity going: Jacobo Sanchez, interacting with the Government in Nicaragua, Ruth Ward, liaising with sponsors and distributing reports and for all the trustees who, so faithfully, keep a hand on the tiller to ensure God is central to the work of the Charity. I look forward to being able to say that work has started on our programme for building homes for the poor of Nicaragua in our next report.

I am eternally grateful to you all who support SIFT and am thankful to God for his mercy and grace.

Andrew Selous
Patron

Official portrait of Andrew Selous: © Chris McAndrew / CC BY
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Contents

About Nicaragua	Page 3
Report of the Trustees	Page 4
Charity Information	Page 14
Independent Accountant's Report	Page 15
Statement of Financial Affairs	Page 16
Balance Sheet	Page 17
Statement of Cash Flows	Page 18
Notes to the Financial Statements	Page 19

About Nicaragua

Nicaragua has a population of 6.2 million and is the third poorest country in the Americas after Haiti and Honduras. A survey of Nicaraguan households carried out in 2017 found 41% of the population living below the poverty line¹, with 8.4% living in extreme poverty. The survey found that there was a higher incidence of poverty in rural communities, where 56% of the population are below the poverty line and 14.5% live in extreme poverty. A number of different factors contribute towards extreme poverty, with the most significant being economic dependence, overcrowded homes and a lack of access to basic services.²

Nicaragua's economy has struggled to recover following the political unrest that took place in 2018. In particular, per capita GDP shrank by 6.2% in 2018 and by 5.1% in 2019, to \$1,918.³

The first case of coronavirus in Nicaragua was recorded on 18th March 2020. The Nicaraguan government has aimed to keep the country open for business during the pandemic and consequently has not enforced any national lockdowns. Many individual Nicaraguans, however, have taken it upon themselves to wear masks, practice social distancing and stay at home where possible. The Nicaraguan Ministry of Health reports that there have been 4,818 cases of the virus and 144 deaths, but independent observations indicate that the actual figures are 10,268 cases and 2,716 deaths⁴, due to many suspected cases of coronavirus being classified as pneumonia.

At a national level in Nicaragua there are nine physicians for every 10,000 people, compared to 28 physicians for every 10,000 people in the UK⁵. Almost half of all health centres lack a water supply, and 35% of rural health centres do not have a reliable electricity source.⁶ The rural population face particular challenges in the area of health: 87% of rural families cook on open wood fires² (which can lead to respiratory diseases), 37% of children from these communities are undernourished, and 70% of maternal deaths occur in rural areas⁶. Maternal deaths include women who die whilst pregnant or within 6 weeks of being pregnant.

The latest UNDP statistical update for Nicaragua recognises that Nicaraguan children have far better access to education than their parents did. A child beginning school this year is anticipated to spend 12.1 years in education, whereas the average Nicaraguan aged 25 years or older only spent 6.7 years in education.⁵ Whilst primary school is compulsory, UNICEF figures indicate that attendance rates are 70%, with only 56% of children reaching the final year of primary school. Secondary school attendance rates drop to 47% for girls and 35% for boys⁷ caused, in part, by young people needing to find work in order to financially support their families.

SIFT is working to bring hope and security to the poor of Nicaragua through projects in the areas of health, education, housing and freedom from sexual exploitation. Our projects are based on the island of Ometepe, in the town of Bluefields, and in the localities of Managua and Granada.

- (1) People living below the poverty line live on less than \$2.50 per day and those in extreme poverty live on less than \$1.20 per day.
- (2) FIDEG. 2018. *Encuesta de hogares para medir la pobreza en Nicaragua* [Online]. Managua: FIDEG. Available at: <http://fideg.org/wp-content/uploads/2018/09/INFORME-DE-RESULTADOS-2017.pdf> [Accessed: 21 July 2020]
- (3) BCN. 2019. *Macroeconomic statistics yearbook 2019* [Online]. Managua: BCN. Available at: https://www.bcn.gob.ni/publicaciones/periodicidad/anual/anuario_estadistico/anuario_estadistico_2019.pdf [Accessed: 21 July 2020]
- (4) Observatorio Ciudadano. 2020. *Estadísticas de COVID-19 en Nicaragua* [Online]. Available at: <https://observatorioni.org/estadisticas-covid-19-nicaragua> [Accessed: 09 September 2020]
- (5) UNDP. 2019. *Human Development Report 2019* [Online]. New York: UNDP. Available at: <http://hdr.undp.org/sites/default/files/hdr2019.pdf> [Accessed: 21 July 2020]
- (6) Sequeira M, Espinoza H, Amador JJ, Domingo G, Quintanilla M, and de los Santos T. 2011. *The Nicaraguan Health System* [Online]. Seattle, Washington: PATH. Available at: <https://path.azureedge.net/media/documents/TS-nicaragua-health-system-rpt.pdf> [Accessed: 21 July 2020]
- (7) UNICEF. 2013. *At a glance: Nicaragua* [Online]. Available at: http://www.unicef.org/infobycountry/nicaragua_statistics.html [Accessed: 21 July 2020]

Report of the Trustees

Mission, Objectives, Strategy and Activities

Mission

SIFT's mission is to transform the lives of the poor in Nicaragua by focussed activity in specific areas and communities of need.

Objectives

The Trustees hold the trust fund and its income upon trust to apply them for the following objectives:

1. To relieve poverty.
2. To advance the Christian religion.
3. To facilitate the protection and preservation of good health.
4. To facilitate education.



Strategy

SIFT's overall strategy to satisfy these charitable objectives is:

To use SIFT funds and resources to help to draw Nicaraguans out of material and spiritual poverty, by supporting indigenous individuals, groups or Churches in projects to benefit the poor.

Activities

Throughout the year SIFT has worked with beneficiaries and indigenous organisations, including local government and other NGOs, to assess needs and to ensure solutions are developed and implemented which will be of sustainable public benefit. Our main activities for this year to fulfil the objectives were:

- Providing primary healthcare facilities on the island of Ometepe.
- Sponsoring the education of children and young people in Bluefields.
- Supporting an orphanage near Managua.
- Progressing options to re-house poor and displaced islander families on the Asese Peninsula.
- Supporting Christians and churches in various areas of the country and providing funding for their ministries; in particular a child feeding programme on Ometepe and a project supporting victims of sexual exploitation in Granada.

Details of these activities and achievements this year appear in the following pages.

Activities, Achievements and Performance

Health

SIFT provides healthcare to rural communities on the island of Ometepe in Lake Nicaragua, which is home to around 35,000 people. There are limited government health facilities on the island and patients who use them need to pay for any medicines they require. As around 39% of the population of Ometepe live in extreme poverty this means that many people cannot afford the treatment that they need. Patients who come to SIFT's clinics only pay an affordable consultation fee to see our doctor, Sandra Villagra, and this fee is waived if they cannot afford it as we do not want a lack of money to prevent someone from being treated. Any medicines that patients require are prescribed to them free of charge.

SIFT's health clinics are located in the communities of Las Pilas, San José del Sur and El Corozal. They are staffed by Dr Sandra Villagra and our team of seven local nurses. Four of our nurses have graduated from university with a professional nursing qualification, which allows them to hold consultations and dispense medicines when Dr Sandra is not at the clinic. During 2019-20 our nursing team saw a total of 3,195 patients.

At the start of 2020 our nursing team was joined by a brigade of students and their professors from Carthage College in Wisconsin. This visit was part of an ongoing partnership between SIFT and Carthage College, where medical students are able to experience the provision of healthcare in the developing world. As well as assisting our nurses with consultations and distributing gifts to patients, the students also completed the construction of an extension at the front of El Corozal clinic. We are extremely grateful to Carthage College for this extra room, which will provide a larger space for the meetings of the Club for Expectant Mothers that is held at the clinic. The brigade also brought supplies of medicines which were a great help for our clinic pharmacies. Sadly the coronavirus pandemic prevented a repeat visit from the college in June 2020; we hope that these visits will be able to resume in late 2021 or early 2022.

In light of the spread of coronavirus across Nicaragua, Dr Sandra and the nurses modified their working practices in order to keep both themselves and their patients safe. Items of personal protective equipment, including face masks, plastic aprons and disposable gloves, were provided to all members of the nursing team. In addition, infrared thermometers and fingertip pulse oximeters were purchased for each of the three clinics, to minimise contact between the nurses and patients when taking their vital signs. Patients were asked to wear masks when attending the clinics, to wash their hands on arrival and to maintain social distancing, and we have been pleased to see that patients are happy to comply with these procedures.

Whilst patients are waiting for their appointments, our nurses give them short talks in order to teach them practical ways to live healthy lives. During the latter part of this year these talks have all focussed on practical ways to reduce the spread of coronavirus in the community, emphasizing the importance of hand-washing, mask-wearing and social distancing.

Our nurses also play a valuable role in providing pastoral care to their patients. Often they find that a patient needs to talk through a situation that they are facing in their personal life, in addition to the medical condition that they are presenting. Dr Sandra and our nurses take the time to listen to these concerns, offer their advice and, where requested, pray with the patient. This has been particularly important since the start of the pandemic, as many patients have come to the clinics suffering from stress or being fearful for the future.



Nurse Aleida with a young patient at El Corozal clinic

Report of the Trustees

At the start of the year our nursing team at Las Pilas clinic were running a fortnightly luncheon club for seniors, which was attended by between 15 and 20 elderly people. Following conversations with members of the club, Sandra discovered that their diets tended to be lacking in protein. The team aimed to meet some of this nutritional need through the food that they provided at the club. Before the food was distributed, Dr Sandra shared a word from the Bible and gave a short talk on health and lifestyle issues. Sandra noted that some of the members of the club were suffering from Alzheimer's and so she encouraged the group to stay mentally active.



Nurse Adelita wearing
her PPE

Following the start of the pandemic, Dr Sandra decided that the luncheon club should be suspended in order to protect the seniors from potential exposure to coronavirus from other patients. However she and the nurses were keen to continue supporting the members of the group and so they have carried out regular home visits. These visits have allowed the nurses to continue monitoring the health of the seniors, providing them with appropriate medication for any chronic conditions they have, and also to support and encourage them during this difficult time. On some occasions the nurses have also given them bags of groceries, which have been greatly appreciated by the seniors.

At SIFT's clinic in the remote community of El Corozal, which is far from the main maternal facilities on the island, our nurses run a Club for Expectant Mothers. The activities of the club are organised by nurse Adelita, who very much sees the club as her ministry to these women. Adelita gives health talks to the women which, in addition to focusing on health issues surrounding pregnancy, aim to teach them about good nutrition. Those women who have had a caesarean section can come

to the SIFT clinic to get their stitches removed. However, if a woman lives at a distance from the clinic, then one of the nurses will go to their home to remove the stitches. Thanks to an American organisation, Christian Aid Ministries (CAM), we are able to give each woman a selection of supplies ready for the arrival of their baby, such as cloth nappies, baby clothes and nappy pins. We are grateful to CAM for this generous support and the regular donations of adult medicines that they provide to our clinic pharmacies.

Unfortunately, due to an ongoing shortfall of funds for the medical work, SIFT's Trustees had to take the difficult decision to reduce Dr Sandra's working hours from full time to working every other week in the clinics. On the weeks when Sandra is not on Ometepe the nurses can still contact her by phone with any questions that they may have. Dr Sandra and the nurses have adjusted well to this new way of working, which has given the medical work more ongoing financial stability.

Around 41% of the income for our health clinics comes from regular donations from our supporters. Many of the people who give to SIFT in this way do so through one of our medical sponsorship schemes. Sponsors pay a suggested monthly donation of £15 to support either Dr Sandra or one of our nurses. Each year we send them a medical update, which includes personal reflections from their sponsored team member on the work of our health clinics.

We also seek funding for the medical work from grant-making trusts in the UK. This year we received grants totalling £9,350, which represents 21% of our total medical income. We are extremely grateful to the Austin Bailey Foundation, the George Muller Charitable Trust, the Hamead Trust, the Mywalit Foundation, the Souter Charitable Trust, and the Crossroads Shop, Meltham, for partnering with us to provide healthcare to the people of Ometepe.

Finca El Rayo - Asese Peninsula

The Asese peninsula is located just to the south of the colonial city of Granada, on the north-western shore of Lake Nicaragua. The three-mile long peninsula is surrounded by 365 little islands, known as

Las Isletas de Granada (the Little Islands of Granada). Many of these islands are inhabited by poor families, but these families do not have legal ownership of the land that they have lived on for generations.

In recent years this beautiful area of Nicaragua has been discovered by tourists and investors, and some of the islands have been bought and are being developed into holiday homes, eco-tourist resorts, or restaurants. This means that many families face the prospect of eviction from their homes at short notice, with only minimal compensation being awarded to them. Some of the new owners of the islands have allowed resident families to remain on their islands as caretakers, but this is only a temporary arrangement and offers the families little long-term security. If a family facing eviction cannot move in with their relatives then their limited financial resources may mean that they have to relocate to the slums of Granada.

SIFT owns a plot of land on the Asese peninsula, called Finca El Rayo, which we are planning to use to provide up to 50 of the affected islander families with new homes that will be legally theirs. Since many of the families rely on fishing for food and to bring in a small income, having a plot of land with lake access is essential to enable them to continue with their traditional way of life. A full environmental impact assessment has been carried out for the project and flood defences have been constructed to prevent flooding of the housing area even when water levels in Lake Nicaragua are exceptionally high.

A committee of the beneficiaries has been established to deal with the practical and social issues that may occur during both the construction phase and the formation of the new community. During this year our Nicaraguan representative, Jacobo Sanchez, has met with the committee on a number of occasions to update them on the status of the project and seek their continued input. This has included getting the beneficiaries' thoughts on the proposed houses, which are being designed by Matthew Farrer, one of SIFT's Trustees and a UK architect. Based on the committee's input the designs have been modified to enable the houses to be easily extended by the families as they increase in size. Matthew has been assisted in this task, and in the development of the community layout, by SIFT's newest Trustee, Freja Brown, who is an Architectural Designer.

The next stage of the project involves transferring the legal ownership of the individual plots of land to the beneficiary families. Unfortunately the legal steps involved in this process have taken much longer than we expected, but we hope that all the necessary paperwork will be in place during the coming year. Following this step, and as funding allows, the construction of the houses will commence.

Hogar de Fe Orphanage

SIFT supports the ministry of the Hogar de Fe (Home of Faith) Orphanage in the town of Los Brasiles, near to Managua. The Orphanage was founded in 1992 after a baby was abandoned on the doorstep of Pastor Ramiro Blandón and his wife Conchita and it is currently home to up to 50 children and young people. The children who live at Hogar de Fe come from a variety of troubled backgrounds: some of them are orphans and others come from families who are unable to support them. Six of the older students live in two "transition houses", close to the main Orphanage buildings, to give them some experience of independent living whilst they attend university in Managua.

A team of Christian workers, led by Pastor Ramiro Blandón's son Isaac, care for the children and provide a loving Christian environment in which they can grow up. The team are keen to ensure that the children learn a variety of life skills during their time at Hogar de Fe and organise educational



The children living at the Hogar de Fe Orphanage

Report of the Trustees

talks through the year on topics such as personal hygiene, assertive communication and writing a CV. The children are encouraged to wash their own clothes every day, supervised by members of the team, and some of the teenagers help to prepare the food in the kitchen.

In addition to their studies at school, the children receive regular computing classes through the week in the Orphanage's computer room. The teenagers learn how to use the various Microsoft Office applications, such as Word and PowerPoint, and some of them also have taken a course in computer repair and maintenance. The children also receive four hours of English lessons each week and music classes at the weekends.

As the children have come from broken family situations, it is especially important that they receive psychological and emotional care. One of the team members at Hogar de Fe is a trained child psychologist and she has regular sessions with the children to help them deal with any issues that they are facing.

The team are keen to ensure that the children are aware of God's love for them and have the opportunity to get to know Jesus personally. There is a devotional session each day for the children and staff, and the children also attend Sunday School and youth events at Pastor Ramiro's church.

The work of Hogar de Fe is officially recognised by the Nicaraguan Ministry of the Family, who refer children to the home and regularly visit to monitor its work. As a result of these visits some recommendations were made for improvements to the facilities, which included renovating the kitchen and building new counselling rooms for use by the child psychologist.

The neighbouring school is also administered by members of Ramiro Blandon's family and is open to both the children at the Orphanage and those from the local community. It is a very popular and well-resourced school, having both a computer room and a dedicated class for children with special educational needs. When the children return to the Orphanage after school, they spend time doing their homework. Some of the team members at Hogar de Fe are educational assistants, who help the children to understand their studies.

In response to the spread of the coronavirus pandemic in Nicaragua the school suspended classes and distributed workbooks to enable the students to continue their studies. Isaac and the team at Hogar de Fe decided to quarantine the Orphanage in order to protect the children from any outbreaks of coronavirus in the local area.

SIFT is one of a number of international organisations that support the Hogar de Fe Orphanage. Through SIFT's orphanage sponsorship scheme, 28 individuals and one church support Hogar de Fe on a regular basis, with all funds raised from this scheme going towards the general running costs of the Orphanage. Each year the sponsors receive an update about the work of Hogar de Fe and a new photograph of their sponsored child. We are also grateful to the George Muller Charitable Trust who provide us with regular funds to support this very deserving cause.

Education Sponsorship

SIFT involvement in Nicaragua was initially motivated by a request for help with the costs of schooling from a child living in the town of Bluefields, on Nicaragua's Caribbean coast. Bluefields is home to around 40,000 people but suffers from high levels of unemployment and underemployment. In the last national census it was discovered that only 29% of the working population of Bluefields had full-time employment, with a further 14% only finding occasional employment. The recent political unrest in Nicaragua and the ongoing economic effects of the coronavirus pandemic will have only made life harder for families that rely on finding temporary labour to meet their financial needs.

Whilst Nicaraguan state schools have been free to attend since 2007, they tend not to be fully resourced and can also have large class sizes. For those families that can afford it, attending a fee-paying school provides their children with a better standard of education. The costs involved in this, however, prohibit children from the poorest backgrounds from taking advantage of this opportunity.

SIFT's education sponsorship scheme enables children from poor and disadvantaged backgrounds to attend fee-paying schools, improving their chances of finding employment and thus being able to support their families. All of the fee-paying schools in Bluefields are church schools and so the children also receive a Christian education. Of the 126 children that we sponsor in Bluefields, 45 attend primary school, 62 attend secondary school and 19 are university students.

As cases of coronavirus increased in Nicaragua, the fee-paying schools in Bluefields decided to close to protect their students and members of staff. The students received online teaching if they had access to the internet; otherwise weekly worksheets could be obtained from the school administrators, although these had to be paid for. We wait to see what impact this disruption will have had on the progress of the children in their studies.

The education sponsorship scheme is monitored by our voluntary field worker, Margaret Storey, who lives in Bluefields for eight months of each year. Margaret normally visits all of the schools on a monthly basis, informing the UK office if a child has left school or is experiencing difficulties in their education. She also stays in contact with our university students, providing them with funds when they incur expenses on their courses. Due to the pandemic, Margaret has been shielding for much of the latter portion of this year, which has naturally reduced the amount of contact that she has been able to have with the students and the schools. We are extremely grateful for Margaret's tireless service in Bluefields and the pastoral support that she gives to the children of Bluefields and their families.

We are very grateful to the 111 sponsors who regularly donate to the education sponsorship fund. Each sponsor receives an annual update about their sponsored child, which includes a recent photograph and news about their child's progress. The annual updates are written by Margaret Storey and we are grateful to Ruth Ward who assists in sending the updates out to sponsors. During the year Ruth also liaises with sponsors to inform them of significant changes to their child's situation.

Supporting Nicaraguan Christians and churches

SIFT seeks to support Nicaraguan Christians and churches as they practically demonstrate the love of Jesus to their fellow Nicaraguans. We recognise the value of working through local Nicaraguans, as they are aware of the needs that exist in their communities and are able to respond to those needs in culturally appropriate ways.

This year we supported two such ministries:

1. Casa Rahab, Granada

Granada is the oldest colonial city in Nicaragua and is a popular destination for tourists visiting the country. Sadly the city also attracts people looking for sex and as a result many girls and young women get caught up in the sex trade. In some cases they can be forced into a life of prostitution by their own families, who are desperate for a source of income.

Casa Rahab (Rahab's House) is a Christian day centre that is seeking to break this cycle of sexual exploitation by providing girls who have been affected by the sex trade with support and a fresh start in life. The team of Christians, led by Valeria Lopez, work with girls aged between 11 and 17



One of SIFT's sponsored students at school

Report of the Trustees

years old who have been referred to them by the police or local authorities. Their aim is to help these girls to rebuild their lives and find hope for the future. Between 10 and 15 girls are helped at Casa Rahab at any one time.

When they first arrive at Casa Rahab the girls are interviewed by the team's psychologist, who designs a personalised programme of therapy to help them recover from the experiences and trauma that they have been through. The team's social worker helps them with any problems they are having with their schools and families, offering parenting classes and therapy to their families where this is appropriate. The team recognise the value of a good education and so support and encourage the girls as they complete their primary and secondary education. The craft teacher does craft activities with the girls both as a form of therapy as well as to teach them new skills. The girls are also taught life skills, such as how to cook healthy meals and how to take care of a home.

Casa Rahab was closed during the worst period of the coronavirus outbreak in Nicaragua in order to protect the health of the team and the girls.

SIFT is pleased to be able to continue supporting the ministry of Casa Rahab by funding the salary of the sewing teacher and psychologist, and we are particularly grateful to the individuals who give specifically to support this valuable project.

2. Feeding Programme, Urbaité

SIFT is also pleased to be able to provide funds to support a feeding programme for around 45 primary school children on the island of Ometepe. The feeding programme was established over 20 years ago by Julita Alemán to provide children from the villages of Urbaité and Las Pilas with some of the vitamins missing from their diets. Families on Ometepe typically eat rice, beans and maize, but only eat limited amounts of meat and vegetables.



Julita (centre) and the Feeding Programme team

The feeding programme meets on Monday and Friday afternoons on the large veranda of Julita's house. Each child receives a cup of high-vitamin milk and, on Fridays, a hot meal of soya-fortified rice, chicken, vegetables and bread.

The sessions are run by a team of Christians from the local church. Each session begins with fun activities for the children, which include singing some Christian songs and listening to a Bible story. The children are split into an older and younger group so that their activities can be more age appropriate.

The team are also concerned for the spiritual welfare of the mothers, some of whom attended the feeding programme when they themselves were children. As a result they hold a Bible study for the mothers whilst the children are doing their activities and drinking the milk.

Sadly, Julita Alemán passed away peacefully on 25th July 2020. She had ministered on the island of Ometepe for 47 years, running Bible schools, establishing a Christian Vocational Centre and, in her retirement, running the feeding programme. Whilst her health in her later years had prevented her from being as active in the feeding programme as she would have liked, she was always on hand to offer words of encouragement and she was faithful in her prayers for the children and their families. Julita was a gentle, caring, Christian lady, whose faith in Jesus was the foundation and motivation of her life. The ongoing ministry of the feeding programme will be her lasting legacy to the children and families of Ometepe.

Financial Review

SIFT relies upon the generosity of our supporters in the UK to be able to continue serving the poor of Nicaragua. We would like to express our gratitude to the many individuals, churches and trusts in the UK who have donated to SIFT over the past year.

Our overall income for the year was 11% lower than last year. This was mainly due to a reduction in the number of one-off gifts received during the year for both general and restricted funds.

Regular giving to SIFT formed 53% of our income this year. Most people who support SIFT on a regular basis give towards a particular project, such as sponsoring a child's education or supporting our medical work, but we do also have some regular unrestricted income. We are seeking to increase the overall proportion of our income that comes from regular donations as this gives our ongoing work greater financial security.

The majority of our remaining income comes from one-off gifts from individuals and churches, grants from UK trusts, and sponsored events carried out by our team and supporters. We encourage donations to be Gift Aided wherever this is possible, and use money received from Gift Aid claims for administrative costs and staff salaries. This year money received from Gift Aid claims formed 10% of our total income.

All of our operational expenditure in Nicaragua is in dollars, and so continues to be negatively affected by the low value of sterling with respect to the dollar. We have focused our fundraising activities this year on the medical work and our support of Casa Rahab, to ensure that we are able to continue supporting these vital projects. Nevertheless, an ongoing deficit in the medical fund meant that during the year the Trustees had to reduce Dr Sandra's working hours from full time to working every other week in the clinics. As part of this agreed change to her working pattern we paid Dr Sandra her severance payment, which has reduced the amount of medical reserves that the charity needs to keep.

We operate restricted funds for projects such as our medical work and our education and orphanage sponsorship schemes. All of the money in these funds is used for project expenditure in Nicaragua; none of it is spent on administration or other support costs. Our general fund holds enough short term reserves to last for three months, and we also hold reserves in the medical fund to enable us to pay severance payments to our nurses.

We are grateful for the efforts of our "Voices for SIFT" who promote SIFT in their areas using presentations and other resources produced by the SIFT office. In order to stay in contact with our supporter base we send out the SIFT Insight newsletter twice a year and, for those who want more regular updates, a monthly news and prayer sheet. Most of those on our mailing list have opted to receive these publications by email, which reduces postage costs.

We had hoped to run an event at the Houses of Parliament for potential major donors, but this had to be cancelled due to the spread of coronavirus and the subsequent UK lockdown. The lockdown also meant that we were not able to hold "SIFT Sunday" services at our supporters' churches. We are planning to reschedule these events next year, subject to social distancing restrictions. Graham Knight, SIFT's Executive Officer, did a virtual sponsored walk on a treadmill at his house to raise funds for the medical work. This event was very well supported, particularly by members of Crossroad Church in Seaton, and financially made up for us not being able to run our other planned fundraising activities.

One of our main fundraising tools is the SIFT Gifts catalogue, which we send out to our supporters prior to Christmas. The catalogue contains specific gifts that can be bought for the poor in Nicaragua, such as medicines for children who attend our health clinics. There is also an online version of the catalogue on the SIFT website, enabling these gifts to be bought throughout the year. The catalogue raised a total of £1,935, of which £1,455 was for medical gifts.

Report of the Trustees

Structure, Governance and Management

Structure

SIFT is a Christian development charity which is non-governmental and apolitical. It is constituted under a trust deed dated 10th October 2002 and is registered with the Charity Commission (registration number 1094193). The Trust Deed requires that there are a minimum of three Trustees but there is no maximum.

New Trustees are chosen by the existing Board on the basis of the qualifications and experience that they can bring to the charity. The Chair of Trustees is responsible for the induction of new Trustees, giving them a firm grounding in the responsibilities of the role and an introduction to the history and ethos of SIFT. The names of the Trustees appear on the last page of this report.

This year the Trustees were pleased to welcome Freja Brown to join the Board of Trustees. Freja is a Part 2 qualified Architectural Designer and works for a private practice in London. She has first-hand experience of Nicaragua, having spent one year working as an architectural assistant in Managua between her first and second degrees in architectural design. We look forward to the insights that Freja will bring to the charity, particularly in relation to the housing development at Finca El Rayo.

Staff and Volunteers

Graham Knight is employed for four days a week as SIFT's Executive Officer, working at the charity's office in Seaton, Devon. He has responsibility for the day-to-day administration of the charity, which includes accounting, general administration, production of promotional materials, maintenance of SIFT's website and administration of SIFT's sponsorship schemes. He also submits applications to UK grant-making trusts, seeking funds for SIFT's medical work on the island of Ometepe and the ministry of Casa Rahab in Granada.

Dr Sandra Villagra is SIFT's doctor, who is responsible for the management of SIFT's health work on Ometepe. She leads a team of seven nurses who serve alongside her in our three clinics. Dr Sandra commutes from her home in Managua to the island of Ometepe every other week. On the weeks when Dr Sandra is not on Ometepe the nurses can still contact her by phone with any questions that they may have. When she is in Managua she purchases medicines for our clinic pharmacies. Her work also involves liaising with the Nicaraguan Ministry of Health at a local and regional level, and organising the visits of medical brigades from the USA to Ometepe.

Jacobo Sanchez is SIFT's official representative in Nicaragua and is employed by the charity for two days each week. His role includes administering SIFT's finances in Nicaragua, fulfilling our regulatory requirements as an NGO with the Nicaraguan government and overseeing the majority of SIFT's projects. He is in regular contact with Graham Knight to discuss operational matters.

SIFT continues to be grateful for the involvement of Margaret Storey and Ruth Ward in SIFT's education sponsorship scheme. Ruth assists the office in the production of the annual reports for our education sponsors and communicates with them through the year if there are changes to their child's situation.

Margaret normally lives in Bluefields for eight months each year as our field worker, liaising with schools and university students to administer the scheme, and providing pastoral support to the children and their wider families. At the time of writing this report Margaret is still in Bluefields, having not been able to return to the UK in winter 2020 due to ongoing coronavirus travel restrictions. We are particularly grateful to Margaret for her service to SIFT and the children of Bluefields during these difficult times.

Management

SIFT's Trustees are responsible for setting the strategy and direction for the charity, in the form of a regularly reviewed Strategic Plan. The Strategic Plan documents the mission, strategy and values of the charity and for each major project details the objectives and resources. This document underpins the annual budgetary process. In setting the Strategic Plan and in planning all of the charity's activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit.

The Trustees are also responsible for assessing the risks associated with SIFT's current activities, both in Nicaragua and in the UK. These risks and their mitigating actions are recorded in a Risk Assessment document which is kept under review by the Trustees. The main risks are considered to be the potential for fraud, especially in Nicaragua, and the risk of accident or injury to staff and volunteers involved with SIFT's projects in Nicaragua.

SIFT has a Data Protection policy, Reserves policy and Fundraising Complaints policy, as well as a comprehensive Safeguarding policy for our work with children and vulnerable adults. All of these documents are regularly reviewed by the Trustees. In addition, all contact with SIFT's supporters, including the storage of their personal data, is carried out in accordance with GDPR legislation.

Finally the Trustees are responsible for the financial well-being of the charity, ensuring that its funds are appropriately used to fulfil the charity's objects, protecting its assets and safeguarding the credibility of SIFT so that it can continue serving the poor of Nicaragua for many years to come. We continue to do all this to the honour and glory of God.

Approved by the Trustees and signed on their behalf by:



Mark Catley

Chair of SIFT Board of Trustees

Date: 27th June 2021

Trustees

Mark Catley FRICS FAAV
David Joseph Langmead BA
Matthew James Farrer BA (Hons) DipArch ARB
Freja Joy Brown BA MArchD

Patron

Andrew Selous MP

Registered Office

1 Harepath Road
SEATON
Devon
EX12 2RP

Charity Number

1094193

Independent Examiners

Hammett Associates
8-10 Queen Street
SEATON
Devon
EX12 2NY

Bank

Lloyds Bank
The Square
SEATON
Devon
EX12 2QH

Independent Accountant's Report

Seed International Fund Trust
For the Year Ended 31 August 2020

Respective Responsibilities of Trustees and Examiner

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

It is my responsibility to:

- examine the accounts (under section 43 of the Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 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 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 explanation from the 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 accounts.

Independent Examiner's Statement

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

- 1 which gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the Act); **and**
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; **or**
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Ann Horton FCA
HAMMETT ASSOCIATES
8-10 Queen Street
Seaton
Devon
EX12 2NY

Date: 28 June 2021

Statement of Financial Affairs

For the Year Ended 31 August 2020

	Note	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Income and endowments from:					
Donations and legacies	2	35,456	74,366	109,822	127,960
Charitable activities	3	-	7,994	7,994	4,767
Other trading activities		-	-	-	-
Investments	4	-	-	-	31
Other		-	-	-	-
Total		35,456	82,360	117,816	132,758
Expenditure on:					
Raising funds	5	7,803	5,750	13,553	18,750
Charitable activities	6	31,102	95,378	126,480	129,724
Other		-	-	-	-
Total		38,905	101,128	140,033	148,474
Other recognised gains / (losses):					
Gains / (losses) on revaluation of fixed assets		-	-	-	-
Net income / (expenditure)		(3,449)	(18,768)	(22,217)	(15,716)
Transfers between funds		-	-	-	-
Net movement in funds		(3,449)	(18,768)	(22,217)	(15,716)
Reconciliation of funds:					
Total funds brought forward		125,634	96,905	222,539	238,255
Total funds carried forward		122,185	78,137	200,322	222,539

The statement of financial activities includes all gains and losses recognised in the year.

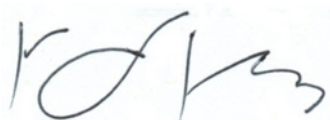
All incoming resources and resources expended derive from continuing activities.

Balance Sheet

At 31 August 2020

		31-Aug-20		31-Aug-19	
	Notes	£	£	£	£
Fixed Assets:					
Tangible Assets	7		134,095		135,859
Current Assets:					
Debtors	8	8,208		7,965	
Cash at Bank and in hand		58,626		79,322	
		<u>66,834</u>		<u>87,287</u>	
Creditors:					
Amounts falling due within one year	9	<u>(607)</u>		<u>(607)</u>	
Net Current Assets			66,227		86,680
Creditors:					
Amounts falling due after more than one year			-		-
Net Assets			<u><u>200,322</u></u>		<u><u>222,539</u></u>
Funds					
Restricted Funds	10		78,137		96,905
Unrestricted Funds: General Reserves			34,128		37,577
			<u>112,265</u>		<u>134,482</u>
Revaluation Reserve	11		88,057		88,057
			<u><u>200,322</u></u>		<u><u>222,539</u></u>

Approved by the Board of Trustees:



Mark Catley

Date: 27th June 2021

Statement of Cash Flows

For the Year Ended 31 August 2020

	2020 Total funds £	2019 Total funds £
Net income/(expenditure) for the period (as per the statement of financial activities)	(22,217)	(15,716)
Adjustments for:		
Depreciation charges	1,764	1,765
Loss/(profit) on the sale of fixed assets	-	-
Interest income	-	3
(Increase)/decrease in debtors	(243)	348
Increase/(decrease) in creditors	-	(1,422)
Net cash provided by (used in) operating activities	<u>(20,696)</u>	<u>(15,022)</u>
Cash flows from investing activities:		
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	-
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities:		
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Receipt of endowment	-	-
Net cash provided by (used in) financing activities	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the period	(20,696)	(15,022)
Cash and cash equivalents at the beginning of the period	79,322	94,344
Cash and cash equivalents at the end of the period	<u><u>58,626</u></u>	<u><u>79,322</u></u>
Analysis of cash and cash equivalents:		
Cash in hand	58,626	79,322
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	<u><u>58,626</u></u>	<u><u>79,322</u></u>

Notes to the Financial Statements

For the Year Ended 31 August 2020

1. Principal Accounting Policies

(a) Accounting Convention

The financial statements are prepared under the historical cost convention. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" SORP (FRS102) issued in September 2015.

(b) Incoming Resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

(c) Resources Expended and Basis of Allocation of Costs

Expenditure is recognised when a liability is incurred. The majority of costs are directly attributable to specific activities.

Costs of generating funds are those costs incurred in attracting voluntary income.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating travel costs and repairs, renewals and maintenance by location in the UK or in Nicaragua, payroll and administration costs by the time spent on different activities and publicity costs solely by income generation activities.

A significant proportion of the charity's support costs, as disclosed in note 15, relate to and directly affect charitable activities undertaken in Nicaragua.

(d) Publicity Costs

Publicity costs consist of expenditure relating to printing and reproduction and related photography expenditure.

(e) Administration and Office Expenditure

Administration expenditure consists of all office costs and related small equipment expenditure.

(f) Repairs, renewals and maintenance

Use of a suitable office for the charity has been obtained at a peppercorn monthly rental of £1. Repairs and renewals expenditure relates to the costs involved in refurbishing the office to enable administrative use for the charity. In addition this category includes maintenance costs for a motor vehicle in Nicaragua.

(g) Capitalisation and Depreciation of Tangible Fixed Assets

All assets costing more than £1,000 are capitalised. Motor vehicles are recorded at cost and are depreciated at a rate of 50% per annum on the reducing balance. No depreciation is provided on land costs and buildings are depreciated over 50 years when completely built; no depreciation is charged in the year of acquisition / addition, and a full year's depreciation in the year of disposal.

(h) Funds Accounting

Funds held by the charity are:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

(i) Foreign Currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

Notes to the Financial Statements

For the Year Ended 31 August 2020

2. Donations, legacies and similar incoming resources

	Unrestricted Funds £	Restricted Funds £	2020 £	Unrestricted Funds £	Restricted Funds £	2019 £
Committed giving	8,231	54,673	62,904	9,216	57,064	66,280
One-off gifts	14,024	9,793	23,817	23,762	14,028	37,790
Grants from organisations	914	9,900	10,814	3,409	8,100	11,509
Legacies	-	-	-	750	-	750
Gift Aid recoverable tax income	12,287	-	12,287	11,631	-	11,631
	35,456	74,366	109,822	48,768	79,192	127,960

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2020 £	Unrestricted Funds £	Restricted Funds £	2019 £
Fundraising events	-	7,994	7,994	1,420	3,347	4,767
	-	7,994	7,994	1,420	3,347	4,767

4. Investment income and interest

	Unrestricted Funds £	Restricted Funds £	2020 £	Unrestricted Funds £	Restricted Funds £	2019 £
Bank interest received	-	-	-	31	-	31

5. Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	2020 £	Unrestricted Funds £	Restricted Funds £	2019 £
Donations, legacies and similar incoming resources:						
Support costs allocated	7,803	5,750	13,553	13,000	5,750	18,750

6. Details of charitable activities

The amount spent on charitable activities, including support costs, is analysed by project area as follows:

	Unrestricted funds				Restricted funds				2019		
	Operational projects	Support costs	Total	£	Operational projects	Support costs	Total restricted	£	Unrestricted	Restricted	Total
Orphanage	-	-	-	-	8,600	-	8,600	-	-	10,000	10,000
Sponsored children's education	-	-	-	-	23,388	-	23,388	-	-	19,361	19,361
Other education projects	-	-	-	-	-	-	-	-	-	-	-
Christian Vocational Centre	-	-	-	-	-	-	-	-	-	-	-
Islands community development	-	-	-	-	241	-	241	-	-	66	66
Children's feeding programme	762	497	1,259	-	-	-	-	2,028	-	-	2,028
SIFT Gifts expenditure	-	-	-	-	658	-	658	-	-	652	652
Supporting churches	13	8	21	-	-	-	-	-	-	-	-
Medical and clinic expenditure	1,963	1,279	3,242	-	62,491	-	62,491	5,005	57,342	-	62,347
Cookers project	-	-	-	-	-	-	-	-	-	-	-
Other building projects	-	-	-	-	-	-	-	-	-	-	-
Casa Rahab	6,524	4,251	10,775	-	-	-	-	14,058	-	-	14,058
Project administration in Nicaragua	4,305	11,265	15,570	-	-	-	-	20,375	-	-	20,375
	13,567	17,300	30,867		95,378	-	95,378	41,466	87,421		128,887
Discretionary gifts in Nicaragua	203	32	235		-	-	-	837	-		837

Notes to the Financial Statements

For the Year Ended 31 August 2020

7. Tangible fixed assets

	Land	Buildings	Motor vehicles	Total
Cost	£	£	£	£
At 1 September 2019	57,653	88,057	9,571	155,281
Additions - Revaluation	-	-	-	-
Disposals	-	-	-	-
At 31 August 2020	57,653	88,057	9,571	155,281
Accumulated depreciation				
At 1 September 2019	-	9,854	9,568	19,422
Charge for year	-	1,761	3	1,764
Disposals	-	-	-	-
At 31 August 2020	-	11,615	9,571	21,186
Net book value				
At 31 August 2020	57,653	76,442	-	134,095
At 31 August 2019	57,653	78,203	3	135,859

£28,508 of the tangible fixed assets relate to restricted funds (Islands) and £105,587 relate to unrestricted funds.

8. Debtors

	Unrestricted	Restricted	2020	2019
	£	£	£	£
Gift Aid debtor - HMRC	8,080	-	8,080	7,839
Bank interest receivable	-	-	-	-
Prepayments	128	-	128	126
	8,208	-	8,208	7,965

9. Creditors falling due within one year

	Unrestricted	Restricted	2020	2019
	£	£	£	£
Accruals	607	-	607	607
	607	-	607	607

10. Restricted funds

	Balance at 1 Sept 2019	Incoming resources	Transfer from unrestricted funds	Programme expenditure	Balance at 31 Aug 2020
	£	£	£	£	£
Islands	48,422	240	-	(241)	48,421
Orphanage	1,563	8,370	-	(8,600)	1,333
Child Sponsorship	25,154	22,311	-	(23,388)	24,077
Team Support	159	5,660	-	(5,750)	69
SIFT Gifts	-	658	-	(658)	-
Medical	21,607	45,121	-	(62,491)	4,237
	<u>96,905</u>	<u>82,360</u>	<u>-</u>	<u>(101,128)</u>	<u>78,137</u>

Most restricted funds are for specific humanitarian, education or health projects in Nicaragua. These projects include development programmes to provide long-term sustainable benefits for a community, including health and nutrition, education projects and miscellaneous SIFT Gifts for smaller specific purposes.

11. Revaluation reserve

	Unrestricted £	Restricted £	2020 £	2019 £
Buildings	<u>88,057</u>	<u>-</u>	<u>88,057</u>	<u>88,057</u>

Legal ownership of the Ometepe clinic buildings by SIFT was established during 2012-13 and updated valuations were obtained during 2014-15.

12. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Unrestricted £	Restricted £	2020 £	2019 £
Salaries and wages	17,284	5,750	23,034	37,591
Social security costs	-	-	-	-
Pension costs	253	-	253	351
	<u>17,537</u>	<u>5,750</u>	<u>23,287</u>	<u>37,942</u>

No employees had employee benefits in excess of £60,000 (2019: £ nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment with the Trust in the period (2019: £ nil). During the period no Trustees were reimbursed for travel and admin expenses (2019: £ nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £ nil).

The key management personnel of the Trust comprise the board of trustees. There are no further staff benefits than those included in the table above, and these relate to the office staff only.

Notes to the Financial Statements

For the Year Ended 31 August 2020

13. Trustees' donations

Aggregate donations from the Trustees to the charity for the period were £664.35, including Gift Aid of £132.87 (2019: £617.90, including Gift Aid of £123.58).

14. Staff numbers

The average monthly head count was 2 staff (2019: 3 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2020	2019
Fundraising	-	1
Office administration and charitable activities (UK)	1	1
Office administration and charitable activities (Nicaragua)	1	1
	<u>2</u>	<u>3</u>

15. Support costs

The support costs of the charity consisted of five main elements: travel, payroll, administration and office, publicity, and repairs, renewals and maintenance. The costs have been apportioned across the work of the charity on the basis disclosed in note 1(c) and allocated to each of the charity's activities as set out in the table below.

	Travel	Payroll	Administration and office expenditure	Publicity	Repairs, renewals and maintenance	2020 Total	2019 Total
	£	£	£	£	£	£	£
Basis of apportionment	(Activity type)	(Activity type)	(Activity type)	(All income generation)	(Location)		
Charitable activities							
Operational projects in Nicaragua	2,345	13,371	1,584	-	-	17,300	27,918
Discretionary gifts in Nicaragua	4	25	3	-	-	32	181
	<u>2,349</u>	<u>13,396</u>	<u>1,587</u>	<u>-</u>	<u>-</u>	<u>17,332</u>	<u>28,099</u>
Income generation							
Donations and legacies	-	9,396	3,016	464	-	12,876	17,813
Gift Aid recoverable tax income	-	495	158	24	-	677	937
	<u>-</u>	<u>9,891</u>	<u>3,174</u>	<u>488</u>	<u>-</u>	<u>13,553</u>	<u>18,750</u>
Total costs allocated	<u>2,349</u>	<u>23,287</u>	<u>4,761</u>	<u>488</u>	<u>-</u>	<u>30,885</u>	<u>46,849</u>



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