

EDUKID

**REPORT OF THE TRUSTEES
AND UNAUDITED FINANCIAL STATEMENTS**

FOR THE

YEAR ENDED 5 APRIL 2021

EDUKID
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their report with the financial statements of the Charity for the year ended 5 April 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number:	1099058 (England and Wales)
Principal Address:	5 Hart Street, Bideford, Devon EX39 2NB
Trustees:	B Duhig (Chairman) N Wormington A Hardy (Secretary) M Kensett A Allin
Chief Executive:	C Turner
Independent Examiner:	Edward Meardon FCA R T Marke & Co Ltd 69 High Street Bideford Devon EX39 2AT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is constituted and controlled by its governing document, a deed of trust.

Recruitment and appointment of trustees

Trustees are appointed by resolution of the Trustees and serve for a three year term. Retiring Trustees may be re-appointed at the end of their three year term.

Organisational structure

The Trustees are responsible for the strategic management of the charity, policy making and the monitoring of its work. The Trustees have delegated day to day operational management of the Charity to the Chief Executive.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have considered the known risks to which the Charity is exposed and meet regularly to review these risks and keep updated the plans to minimise the impact on the Charity should any of these risks materialise.

OBJECTIVES AND ACTIVITIES

Objects of the Charity

The objects of the Charity are to advance education and relieve poverty, working in accordance with Christian principles.

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Activities of the Charity

The Charity operates a UK Global Citizenship Schools programme to educate pupils on the issues of poverty.

The Charity provides school packs and contributes to the school and university funding of children and young people in third world countries.

The Charity provides further support to help break down the barriers to education such as therapy, IT and sustainable project initiatives.

The Charity organises educational trips to the countries in which it operates.

Public Benefit Statement

As trustees of the Charity we have complied with our duty under Charity Law to have due regard to guidance published by the Charity Commission on public benefit.

As well as directly benefiting the children and young people to whom it provides education and financial support, the Charity benefits society as a whole by furthering education and ultimately reducing poverty in the countries in which it operates.

ACHIEVEMENT AND PERFORMANCE

The Effect of the Pandemic

The global pandemic has meant the usual fundraising events have not been possible. UK schools have also been closed for large parts of the year, therefore reducing our usual income.

In our programmes abroad there have been periods where schools have also been shut. This in turn has reduced our expenditure. The pandemic and resulting lockdown has seen a sharp increase in poverty and child pregnancy. This has needed extra investment and trained staff to address these needs.

Edukid were due to launch a programme in the Amazonas, Peru, this year. The communities in question have been particularly badly affected and this is delaying the launch of this initiative.

Around 3,300 children in Uganda, Cambodia and Palestine are supported in education or therapy through the work of Edukid.

Thirteen students in Cambodia have gained university scholarships through Edukid. Five of these students graduated successfully during the year and the remaining students are continuing their university education.

Three students in Uganda have university scholarships. They are studying Law, Pharmaceuticals and Teaching.

Around 200 children in Gaza attend our Days of Joy programme that offers up to 10 psychosocial sessions to children suffering from the trauma of conflict.

Around 20,000 children in the UK are involved in Edukid's UK schools programme.

FINANCIAL REVIEW

The Charity reported surplus of income over expenditure of £13,431 on unrestricted funds not designated for specific purposes in the year. Unrestricted funds stood at £23,584 at 5 April 2021.

Overseas school closures, the delay in launching our Peru programme and crisis related COVID emergency aid, has meant budgeting has been difficult. Despite income dropping Edukid has managed to continue supporting all the children it's supporting. The following year is forecast to see a drop in turnover for the first 8 months and a deficit is forecasted for the next financial year.

It is the policy of the Charity to maintain unrestricted reserves at a level which will enable it to continue operating in the event of a short term drop in funding. The Trustees consider the current level of free cash reserves to be sufficient for this purpose.

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The Trustees have established Designated Funds as follows:

Growth Fund

A sum of £76,000 remains from a legacy received in a previous year which was set aside to allow the Charity to grow sustainably over the next few years.

Cambodia Project Commitment Fund

A sum of £44,000 has been set aside to ensure that the Schools project in Cambodia can continue in the event of a short term drop in funding. This is based on the likely costs of support funding for a 12 month period.

Uganda Project Commitment Fund

A sum of £54,000 has been set aside to ensure that the Schools project in Uganda can continue in the event of a short term drop in funding. This is based on the likely cost of support funding for a 12 month period.

Palestine Project Commitment Fund

A sum of £5,000 has been set aside to ensure that the project in Palestine can continue in the event of a short term drop in funding.

Peru Project Commitment Fund

A sum of £25,000 has been set aside to set up a new schools project in Peru and ensure that it can still launch in the event of a short term drop in funding.

UK Global Citizenship Programme

A sum of £25,000 has been set aside cover six months of core charity expenditure in the event of a short term drop in funding.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

On behalf of the Board

B Duhig, Chairman

30 September 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EDUKID

FOR THE YEAR ENDED 5 APRIL 2021

I report to the trustees on my examination of the accounts of Edukid for the year ended 5 April 2021 which are set out on pages 5 to 11.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trustees' accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

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

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

Edward Meardon FCA
Member of the Institute of Chartered Accountants in England and Wales
R T Marke & Co Ltd
69 High Street
Bideford
Devon
EX39 2AT

18 November 2021

**EDUKID
BALANCE SHEET**

AT 5 APRIL 2021

	Notes	Unrestricted Funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	5	833	-	833	774
CURRENT ASSETS					
Cash at bank and in hand		237,689	7,912	245,601	218,888
Debtors		1,994	-	1,994	-
CREDITORS					
Amounts falling due within one year:					
Accruals and deferred income	6	(600)	-	(600)	(600)
NET CURRENT ASSETS		239,083	7,912	246,995	218,288
TOTAL ASSETS LESS CURRENT LIABILITIES		239,916	7,912	247,828	219,062
NET ASSETS		239,916	7,912	247,828	219,062
FUNDS					
Unrestricted funds	7			239,916	214,153
Restricted funds	7			7,912	4,909
TOTAL FUNDS				247,828	219,062

The financial statements were approved by the Board of Trustees on 30 September 2021 and were signed on its behalf by:

B Duhig, Trustee

N Wormington, Trustee

The notes form part of these financial statements

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING STATEMENT OF COMPREHENSIVE INCOME)

FOR THE YEAR ENDED 5 APRIL 2021

	Restricted Funds £	Designated Funds £	Unrestricted Funds £	Total £	2020 £
RECEIPTS					
Incoming resources from generated funds:					
Voluntary income					
- Regular donations	41,510	-	30,120	71,630	76,843
- One off donations	-	7,915	25,103	33,018	42,182
- Grants	20,750	4,562	11,932	37,244	18,050
- Schools Income	6,490	-	-	6,490	11,033
Income from Charitable activities:					
Educational trips	-	11,871	-	11,871	82,445
Funds raised from events	-	-	8,661	8,661	18,251
Other income	-	-	10,574	10,574	8,093
Total Income	68,750	24,348	86,390	179,488	256,897
PAYMENTS					
Costs of generating voluntary income					
Staff costs	-	-	27,472	27,472	26,767
UK travel costs	-	-	-	-	7,557
Marketing	-	-	2,044	2,044	1,522
Charitable activities:					
Support payments to Cambodia	20,101	1,446	10,653	32,200	64,133
Support payments to Palestine	4,076	924	-	5,000	5,000
Support payments to Uganda	24,820	6,470	8,710	40,000	72,610
Additional educational payments to Cambodia	-	-	-	-	-
Additional educational payments to Uganda	-	-	-	-	-
Staff costs (UK schools)	17,450	-	-	17,450	15,050
Cost of educational trips	-	16,719	-	16,719	68,076
Travel costs UK	-	-	1,864	1,864	11,335
Educational resources (UK schools)	-	-	-	-	1,990
Depreciation of equipment	-	-	416	416	774
Loss on disposal of assets	-	-	774	774	-
Support costs					
Office costs	-	-	4,179	4,179	1,652
Sundry expenses	-	-	88	88	870
Bank charges	-	-	-	-	21
Governance costs					
Staff costs	-	-	776	776	1,258
Bookkeeping	-	-	1,020	1,020	1,350
Independent examination	-	-	720	720	720
Total Expenditure	66,447	25,559	58,716	150,722	280,685

EDUKID**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING STATEMENT OF COMPREHENSIVE INCOME)****FOR THE YEAR ENDED 5 APRIL 2021**

	Restricted Funds £	Designated Funds £	Unrestricted Funds £	Total £	2020 £
Net income/(expenditure) for the year	2,303	(1,211)	27,674	28,766	(23,788)
Transfers between funds	700	13,543	(14,243)	-	-
Net movement in funds	3,003	12,332	13,431	28,766	(23,788)
Fund balance b/fwd	4,909	204,000	10,153	219,062	242,850
Fund balance c/fwd	7,912	216,332	23,584	247,828	219,062

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities (The Charities SORP (FRS102)).

The Charity is a public benefit entity.

The reporting currency is the pound sterling (£).

The Charity's legal form is that of a Trust, constituted in the United Kingdom.

Since the balance sheet date, the consequences of the COVID-19 pandemic and the measures taken to control its spread have materially and adversely affected the Charity's operations. The impact of the pandemic, as well as the effectiveness of government and central bank responses, remain unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Charity for future periods. The trustees are optimistic that necessary measures can be taken to ensure the viability of the Charity and so they have continued to adopt the going concern basis of accounting.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be qualified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

No incoming resources are included in the SOFA net of expenditure.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allowed directly to such activities and those costs of an indirect nature necessary to support them.

Where the Charity uses other Charities to provide services of disseminative funding on its behalf, these costs are included within Charitable expenditure.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those incurred directly in support of expenditure on the objects of the Charity and include project management.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment – 3 or 5 years straight line basis

Taxation

The Charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specific purpose and which the Charity may use for its purpose at its discretion.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

2. TRUSTEES' REMUNERATION AND BENEFITS

No Trustees received salaried remuneration or benefits during the year (2020: £nil).

Trustees' Expenses and other payments

No amounts were reimbursed to Trustees during the year in respect of expenses. One Trustee received £nil (2020:£2,589) for administrative work on a self employed basis.

3. STAFF COSTS

	2021	2020
Wages and salaries	61,170	59,448

The average monthly number of employees during the year was three. No employees received employee benefits of more than £60,000.

4. INDEPENDENT EXAMINERS FEES

	2021	2020
Independent Examination	360	360
Other work	360	360
	720	720

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

5. TANGIBLE FIXED ASSETS

	2021	2020
	£	£
COST		
At 6 April 2020 and 5 April 2021	1,249	3,870
DEPRECIATION		
At 6 April 2019	3,096	2,322
Charge for year	416	774
Depreciation on disposals	(3,096)	-
At 5 April 2020	416	3,096
NET BOOK VALUE		
At 5 April 2021	833	774
At 5 April 2020	774	1,548

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Accruals and deferred income	600	600

7a. MOVEMENT IN FUNDS

	At 6.4.20	Net Movement in funds	Transfers between funds	At 5.4.21
	£	£	£	£
Unrestricted funds				
General Fund	10,153	27,674	(14,243)	23,584
Designated Growth Fund	76,000	-	-	76,000
Designated Cambodia Fund	44,000	-	(8,580)	35,420
Designated Uganda Fund	54,000	-	(10,000)	44,000
Designated Palestine Fund	5,000	(925)	5,925	10,000
Designated Peru Fund	-	-	25,000	25,000
Designated UK Contingency Fund	25,000	-	-	25,000
Designated Educational Trips Fund	-	(286)	1,198	912
	214,153	26,463	(700)	239,916
Restricted funds				
Cambodia	1,105	143	-	1,248
Uganda	376	1,244	-	1,620
Palestine	3,428	(2,384)	-	1,044
Grants for staff costs	-	3,300	700	4,000
	4,909	2,303	700	7,912
TOTAL FUNDS	219,062	28,766	-	247,828

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

7b. MOVEMENT IN FUNDS

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General Fund	86,390	(58,716)	27,674
Designated Growth Fund	-	-	-
Designated Cambodia Fund	1,445	(1,445)	-
Designated Uganda Fund	6,470	(6,470)	-
Designated Palestine Fund	-	(925)	(925)
Designated UK Contingency Fund	-	-	-
Designated Educational Trips Fund	16,433	(16,719)	(286)
	<u>110,738</u>	<u>(84,275)</u>	<u>26,463</u>
Restricted funds			
Cambodia	20,244	(20,101)	143
Uganda	26,063	(24,819)	1,244
Palestine	1,693	(4,077)	(2,384)
Grants for staff costs	20,750	(17,450)	3,300
	<u>68,750</u>	<u>(66,447)</u>	<u>2,303</u>
TOTAL FUNDS	<u>179,488</u>	<u>(150,722)</u>	<u>28,766</u>

Purpose of unrestricted funds

General funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specific purpose and when the Charity may use for its purpose at its discretion.

Designated funds are set aside by the Trustees for the purpose of ensuring the Charity can continue to operate in the event of a short term drop in funding, and in the case of the growth fund to allow the Charity to grow in a sustainable manner.

Purpose of restricted funds

The restricted funds relate to amounts received in donations specific to the funding of projects in the particular country which have yet to be paid across to the relevant project.

The Grants for staff costs relate to restricted funds received for the purposes of paying the Charity's staffing costs in UK schools work.

8. RELATED PARTY TRANSACTIONS

There were no disclosable transactions with related parties during the current or previous year other than payments to Trustees as disclosed in note 2.