

EDUCATION FOR THE CHILDREN FOUNDATION

England & Wales · Charity number 1099280

Details

Status Registered

Legal form Other

Registered 2003-09-04

Register [View on the Charity Commission register](#)

Contact

Address 52A Rectory Road
West Bridgford
Nottingham
NG2 6BU

Phone 01159584876

Email enquiries@eftcfoundation.org

Website www.eftcfoundation.org

Activities

Objects: (A) TO ADVANCE THE EDUCATION OF CHILDREN IN CENTRAL AMERICA BY THE PROVISION OF SCHOOLS, SCHOOLS EQUIPMENT AND TEACHING PERSONNEL AND(B)TO RELIEVE POVERTY AND SICKNESS OF CHILDREN WHO ARE EDUCATED BY THE FOUNDATION, TOGETHER WITH THEIR FAMILIES, BY THE PROVISION OF SHELTER, AMENITIES, FACILITIES AND EQUIPMENT, IN ANY SUCH CHARITABLE WAY AS THE CHARITY TRUSTEES DETERMINE.

Activities: Our mission is to break the cycle of poverty through education, empowerment and enterprise at the heart of the community.EFTC works in partnership with disadvantaged families, children and young adults in Guatemala, Central America to ensure they develop the tools they need to make positive choices and build a brighter future for themselves.

Classification

- **How:** Provides Services, Other Charitable Activities
- **What:** Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief
- **Who:** Children/young People

Geography

- **Area of benefit:** CENTRAL AMERICA
- Guatemala
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£653,596	£797,104	£137,462	2
2023-12-31	£836,660	£681,796	£280,970	3
2022-12-31	£611,464	£616,439	£126,106	3
2021-12-31	£594,312	£612,145	£131,081	3
2020-12-31	£575,552	£649,248	£148,914	5

Trustees

Name	Role	Appointed
Michelle Aitken	Chair	2014-07-14
DOUGAL POWRIE		
Matthew Denman		2014-07-14
Nicholas Robert Watling		2022-09-15
Nimesh Raghavendra Kamath		2019-05-13

EDUCATION FOR THE CHILDREN FOUNDATION

England & Wales - Charity number 1099280

Accounts



EDUCATION FOR THE CHILDREN FOUNDATION

ANNUAL REPORT AND ACCOUNTS

YEAR ENDED 31ST DECEMBER 2024

Charity Registration Number 1099280

www.eftcfoundation.org
enquiries@eftcfoundation.org

Principal and Registered Address:

52a Rectory Road, West Bridgford, Nottingham, Notts, NG2 6BU

Governance: The Charity is constituted under a trust deed dated 2nd October 2017.

Trustees who served during the year of 2024:

Michelle Aitken (Chair)
Matt Denman
Nimesh Kamath
Dougal Powrie
Nick Watling

The Board of Trustees meet regularly and twice a year, formally, to discuss policy, strategy and finances. In addition, trustees convene whenever the need arises to advise on matters of urgency. Decisions are made on a majority vote.

Risk Assessment

The risk register is continually updated and discussed at each meeting. The Trustees have assessed the major risks to which the charity is exposed and are satisfied that appropriate systems have been implemented to mitigate exposure to the major risks.

Bank:

Bank of Scotland plc
P.O. Box 1000
BX2 1LB

Independent Examiner:

Phil Glyn-Smith (FCA): Whiteacres, Cambridge Road, Whetstone,
Leicestershire, LE8 6ZG

This report covers Education for the Children Foundation's activities in the UK and Guatemala from 1st January 2024 to 31st December 2024. Education for the Children was formally established on 16 May 2003 and became a registered charity on 4 September 2003.
(Registered Charity number 1099280)

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Chair's Commentary

2024 saw Sophie McKee settle back into the Project Director role and the Guatemalan leadership team worked particularly well together as they matured in their leadership roles. The long term service of these colleagues and their dedication really strengthens the offering to our students and promotes a strong positive and supportive culture within the School.

This year, digital learning platforms were introduced to aid literacy and numeracy and resulted in improvements in the learning for both areas. Recognising that in Guatemala a good command of the English language is important in employability, the English language programme was relaunched after a few years of it only being an optional subject. The increase in grant support for specific programmes that we wanted to develop really helped us to maintain continued growth in areas that could fall by the wayside. Due to the grant success, we have seen improvements in our SENDA support, in our ability to hire a full time Sex Education Coordinator and increase our health prevention campaigns and specialised interventions. This aligns well with our holistic approach which makes the School of Hope students successful in moving onto Higher Education or gaining employment.

In November, graduations from primary and secondary (6th and 9th grade) took place again and we were hugely encouraged by the number of students that graduated and the potential they continue to show. This year we were also able to launch three in-house vocational training courses to spark interest in practical skill areas, help students explore potential small business opportunities, and support them in deciding whether to pursue further training or work in the field. These courses offer a valuable bridge between education and employment, empowering students to take the next step in their professional journey with confidence.

Outside of Guatemala, Sara Miller, our previous Project Director, started the year in her new role as Executive Director of the USA, which has allowed us to really raise our fundraising profile in a region that has great untapped potential for us. She has settled into the role well and is starting to see some key successes within the US.

In the UK, our fundraising focused mainly on grant writing and we are pleased to report on increased success with this. With a smaller team of staff in the UK office, our event fundraising took a lesser role, as new ways of fundraising were explored. There was a very successful online auction held raising as much as our in person events. We believe in offering some key events as they are crucial for raising awareness and long term relationship building, so there definitely won't be purely online activity! The supporters at events join the wider group of individual sponsors in the UK and Europe, corporate sponsors, trust funds and those who have continued to join us in a range of fundraising activities. For both our grant givers and our individual supporters economic decline has still hit hard and the team have worked hard to mitigate any losses. Our regular sponsorship programme is crucial in ensuring sustainable funding and keeping these supporters engaged is always a key focus. As usual, we prudently fixed our exchange rates and this helped secure our funding at a time when world events may have affected the Sterling/US Dollar rate at any time.

Again, we drew on our volunteers to assist with our events and other business activities. These include Phil Glyn-Smith for the Independent Examination, ensuring the accounts are filed on time, Sophie Morris and Finnuala Brett who gave the UK office additional administrative support. Our gratitude and thanks, once again, is extended to Castlegate Capital Ltd for providing us with heavily subsidised office space and continuing to cover office expenses. Without this support, EFTC would bear significant additional costs, enabling us to pass on more of our supporters' donations to the School of Hope.

The effort that the staff put in to continue our work and to sustain the education of our students is to be congratulated. Resilience and determination of the whole organisation has led to the results in this report.

We also looked forward to our goals for the future development of the Foundation and the School and 2025 will bring a focus on wider fundraising activities to start to put these into place.

Michelle Aitken
Chair of Trustees

Educate, Nurture, Empower

Driven by a commitment to equal opportunities, Education for the Children has worked with thousands of disadvantaged young people and families from the Jocotenango area since 2003.

Our Mission

Driven by a commitment to equal opportunities, the Education for the Children Foundation has worked with young people and families from the Jocotenango area since 2003 to access quality education, nutritious food, healthcare and social support. Through a highly individualised holistic approach we strive to empower young people with the skills and confidence to be successful in their chosen careers.

Our Vision

That young people from all backgrounds have the ability to access quality education and opportunities for rewarding employment.

Values

- Highly individualised approach
- Long-term commitment
- Holistic support
- Community-centred

4 Pillars

- Education
- Nutrition
- Healthcare
- Social Support

2024 Highlights: Month by Month

FEBRUARY

Thanks to Project Apoyo, we offered an **artisanal bag-weaving workshops** for 10 participants (2 stay-at-home mothers and 8 scholarship students).

On February 9th, our students embraced the **Carnival festive spirit**, transforming recycled materials into stunning costumes.

APRIL

We launched the **Nurture Network** programme.. During our **Community Week**, our students participated in a range of initiatives, from spending time with the elderly to planting trees in a local park.

JUNE

Dress a Girl Around The World visited our school and generously donated over 100 beautiful, hand-sewn dresses for our girls from Prepa to 5th grade.

The **Google Educators Group** in Guatemala organised incredible workshops on Gmail, Google Drive, Classroom, and Gamification in the classroom for our teachers.

AUGUST

Our students finished the 3rd cycle creating beautiful **mosaics** in their art classes, which were proudly displayed at the school entrance.

OCTOBER

Hair Aid provided an intensive haircutting course and nine participants successfully graduated.. We held **graduations ceremonies** to celebrate milestones from Prepa, six grade and ninth grade , with students, families, and even a few visiting sponsors coming together to honour their achievements.

DECEMBER

We organised our fifth annual **food drive**, distributing food hampers to ensure a joyful Christmas for families in greatest need.

JANUARY

On January 15th, we welcomed **406 students** back to the **School of Hope**. We began the year with **158 scholarship students** enrolled in further education.

We also proudly inaugurated our new **science lab**, a milestone generously supported by our partner Merck Group.

MARCH

On March 8th, our community came together to celebrate the **International Women's Day**, honouring the achievements and courage of women both in Guatemala and around the world.

MAY

We welcomed back students from **Rafael Landivar University's Early Childhood and Pre-Primary Education Teaching Program**, for a day of learning and development. This visit was further enriched by the generous donation of the EducaBoxes, which were used in their activities.

JULY

On 19 July, the School of Hope held its **Talent Show**, where 115 students showcased their skills. Each participant brought something truly special to the stage, making it a memorable occasion for all.

SEPTEMBER

We organised the **National Week** with a variety of activities, including the lighting of the traditional torch, a beautiful assembly with special presentations, and a musical interpretation of the national anthem performed with instruments.

NOVEMBER

We celebrated 33 **High School graduates** in a incredible and inspiring ceremony, recognizing their achievements across a range of academic fields. Thanks to Google Educators Group, 23 teachers reached a new milestone by earning a certification in **Generative AI for Educators**.

The School of Hope

The Education Department at EFTC's School of Hope provides a safe and nurturing academic environment from Kindergarten to 9th grade, ensuring that children from vulnerable backgrounds receive a holistic education that addresses academic, emotional, and social development.

Throughout 2024, EFTC Guatemala achieved significant milestones across all program areas, while maintaining a clear commitment to student-centered support and continuous improvement.

The EFTC Team

4 new positions for 2024



Sex Education Coordinator



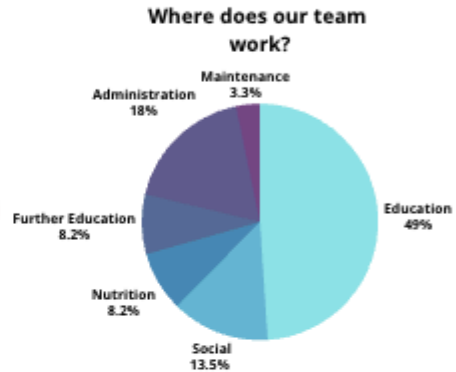
Speech Therapist



Receptionist



Education Admin Assistant



58 Full time employees

81.03% staff retention in 2024

68.8% FEMALE 31.2% MALE



Student Enrollment, Attendance, and Academic Achievement

Enrollment

We started the school year with 270 in primary school (142 girls and 128 boys), and 136 in middle school (60 girls and 76 boys).

Attendance

Average attendance rates were 90% in Primary School and 86% in Middle School, demonstrating the strong commitment of students and families.

Academic Success

The overall pass rate for 2024 was 93.14%, with Primary School achieving 96.6% and Middle School achieving 85.8%

Retention

394 students successfully completed the academic year, resulting in an 97% overall retention rate (98.8% in Primary School and 93.3% in Middle School).

Graduations

A total of 41 Primary School students graduated from sixth grade, and 37 Middle School students graduated from ninth grade.

Pass Rate

2020	2021	2022	2023	2024
99.2%	94.9%	93.85%	95.3%	93.14%

Retention

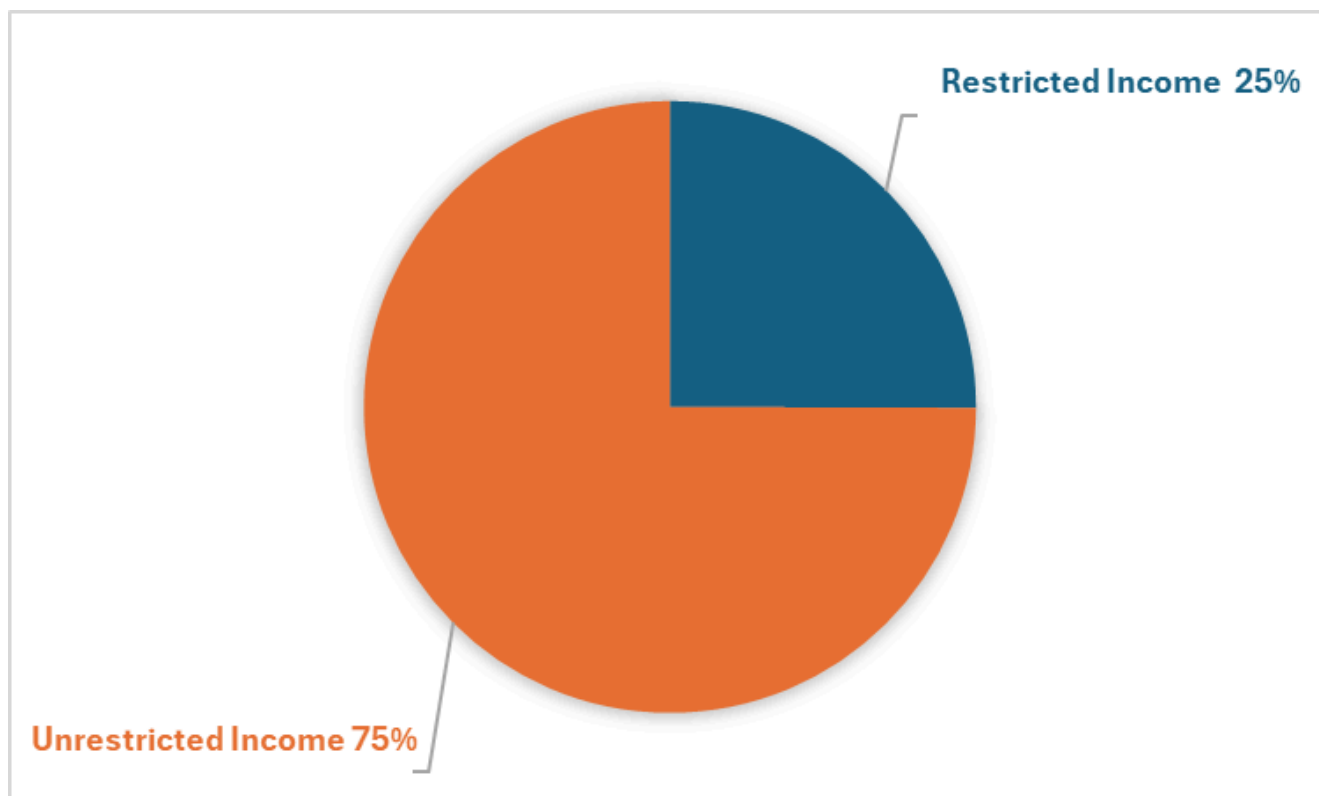
2020	2021	2022	2023	2024
98.9%	93.5%	97.9%	96.4%	97%



Financial Commentary

The accounting period runs from 1 January to 31 December 2024 to align with the Guatemalan school year.

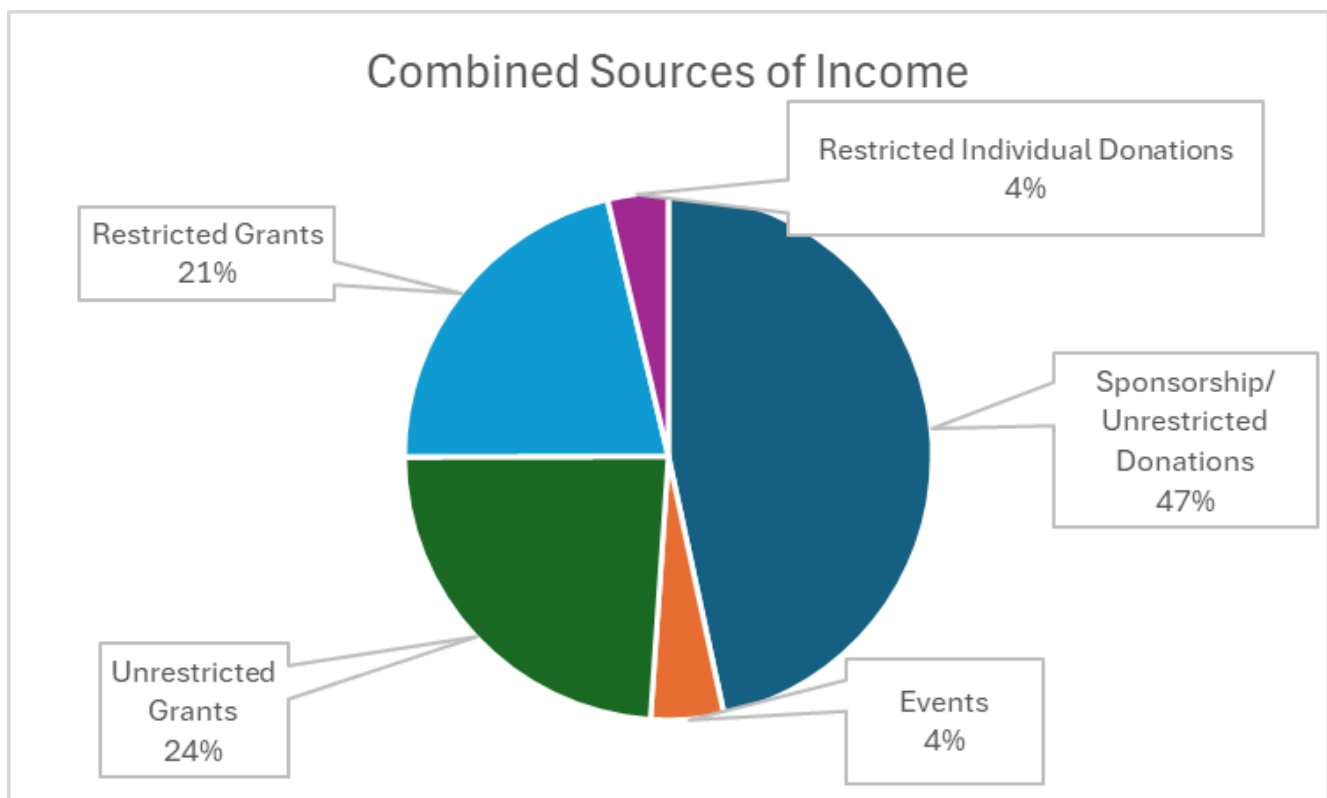
The total income raised was £635,596 of which of which £163,712 was restricted and £489,884 was unrestricted.



The main source of unrestricted income for Education for the Children is through the student sponsorship programme and personal donations, as well as some key corporate sponsors who together, in the accounting year to 31 December 2024, raised 47% of the total unrestricted income. This has reduced from 2023's percentage as we have been much more successful in the grant application activities to charitable trusts and grant givers. This has contributed 24% to unrestricted income. This demonstrates a much stronger and more effective fundraising strategy for 2024. In 2023, we had particularly strong support from an individual supporter who in addition to the continued sponsorship made a one-off generous donation of £300,000.

Event income was lower than 2023 at 4% as new activities were tested to identify the best fundraising to cost activities. The shortfall, against 2023, was made up by success in our grant applications to new and existing charitable foundations.

This income is supported by restricted funds which can be from individuals, corporations or charitable trust grants. Restricted funds were 21% of our total income in this year, which were specific donations from individuals and corporations. 2024 started with the boost of £125,000 from a regular grant giver, St. James's Place Foundation, as well £120,000 from the Foundation for Education to improve Family Planning (FEFP) who were new to us in 2023. It is encouraging to see that these grant givers continue support and increase their support. We also received generous support from the Paquita Filby Trust who are also regular supporters.,



Our fundraising costs decreased in 2024 as our main fundraiser was on maternity leave and we only hosted one in person event. In 2024, the UK office was staffed by an equivalent of 2 full time positions by 3 staff members, one full and two part time.

Education for the Children took action again in 2024 to avoid currency fluctuations having an impact on finances in Guatemala by forward buying of the US dollar and setting the annual budget figures based on this rate.

The amount spent to support the education and welfare provision at the School of Hope was £681,692 of the total charity expenditure. The School always works hard to ensure that they provide the best provision possible with limited funds.

Due to a delay in payment from a major donor for a short period, it was necessary to take out a short term loan as can be seen in the Cash flows and note 6. This was repaid in full in early 2025.

Education for the Children holds no investments in the charity name and makes no income from any endowment funds.

At the end of December 2024, reserves were £137,462, which meets the reserves policy of the Foundation and is considered acceptable.

Reserves Policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The Trustees consider that this level will provide sufficient funds to maintain our services and ensure that support

and governance costs are covered. Clearly, this year has, again, been difficult due to a variety of economic pressures in the UK and the reserves fell to below this level at certain times. A subcommittee of Trustees continues to monitor financial planning, including currency and cash flow management.

Arrangements for Setting Pay and Remuneration

Pay and Remuneration is set by the Trustees in the UK and by the Foundation Director in Guatemala after guidelines issued by the Trustees.

INDEPENDENT EXAMINER'S REPORT

Report to the trustees of Education for the Children Foundation (Charity Reg No 1099280) on accounts for the year ended 31st December 2024.

Set out on pages: 14 -23

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 Trust's 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 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.



Name: Philip Anthony Glyn-Smith October 3rd, 2025

Relevant professional qualification(s) or body: FCA

Address: Whiteacres, Cambridge Road, Whetstone, Leicestershire, LE8 6ZG

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR 1 JANUARY 2021 to 31 DECEMBER 2024					
				Charity No.	1099280
		Unrestricted Funds 1/1/2024 to 31/12/2024	Restricted Funds 1/1/2024 to 31/12/2024	Total Funds 1/1/2024 to 31/12/2024	Year to 31/12/23
	Notes	£	£	£	£
<u>Income from:</u>					
Child Sponsorships and Donations	2	304,746	24,244	328,990	647,479
Grants Received	2	156,000	139,468	295,468	123,312
Fund Raising Events	2	29,138	0	29,138	65,869
Bank Interest					-
					-
Total Income		489,884	163,712	653,596	836,660
<u>Expended on:</u>					
Raising Funds	2,3	115,412		115,412	167,439
Education and Welfare Provision in Guatemala	4	517,767	163,925	681,692	514,357
		-		-	-
Total Expenditure		633,179	163,925	797,104	681,796
Net Movement in Funds		(143,295)	(213)	(143,508)	154,864
<u>Reconciliation of Funds:</u>					
Total Funds Brought Forward		280,757	213	280,970	126,106
Total Funds Carried Forward		137,462	0	137,462	280,970

Balance Sheet

As At 31 December 2024

	Notes	As at 31/12/2024 £	As at 31/12/2023 £
<u>Current assets</u>			
Debtors	5	109,649	25,000
Cash at bank and in hand	7	131,176	275,122
Total current assets		240,825	300,122
Current Liabilities Due within one year	6	103,363	4,952
Net current assets/(liabilities)		137,462	295,170
Total assets less current liabilities		137,462	295,170
Deferred income - Annual Sponsorship received in advance to be paid to the school in future years	6	0	14,200
Total net assets or liabilities		137,462	280,970
<u>Funds of the Charity</u>			
Restricted income funds	8		213
Unrestricted funds		137,462	280,757
Total funds		137,462	280,970

Signed by one or two Trustees on behalf of all the Trustees



Print Name

Date

**Michelle
Aitken**

23/09/25

STATEMENT OF CASH FLOWS

For Year 1 January 2023 to 31 December 2024

	Total Funds 2024 £	Prior Year 2024 £
Net Cash used in Operating Activities	-143,946	200,334
<i>Cash Flows from Investing Activities</i>		
Interest and Dividends		
Net Cash Provided By Investing Activities	-	-
Change in Cash and Cash Equivalents in the Year	-143,946	200,334
Cash and Cash equivalents brought forward	275,122	74,788
Cash and Cash equivalents carried forward	131,176	275,122

Reconciliation of Net Movement in Funds to net cash flow from operating activities

	31/12/2024 £	31/12/2024 £
Net Movement in Funds	-143,508	154,864
Deduct Interest shown in Investing Activities		
Decrease (increase) in Debtors	-84,649	70,427
Increase (decrease) in Creditors	84,211	(24,957)
Net Cash Used in Operating Activities	-143,946	200,334

Note 1

ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

(b) Funds Structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is one permanent restricted fund held for monetary gifts from a child's sponsor for the purchase of clothing, additional books and studying material, health care and in some cases improvements to their living conditions at home. When large grants are received for a specific purpose a separate restricted fund is raised.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

(c) Income Recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants and Donations that are subject to terms and conditions are treated as Deferred Income until it is probable that the terms and conditions can be met. If the conditions are not wholly within the control of the charity it will be disclosed as a contingent asset.

Donated Services provided by Castlegate Capital Ltd to the Charity are not reasonably quantifiable, measurable or material, but the scope of the support is mentioned in the Trustees' Annual Report.

Volunteer Help received is not included in the accounts, but is described in the Trustees' Annual Report.

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid received on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or terms of the appeal have specified otherwise.

(d) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Support costs. Office staff costs are the major component of Support Costs. As such Support Costs have been apportioned on a time spent basis. Where direct costs have arisen when staging events, these have been charged against the particular event.

Governance Costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice. Support costs have been allocated to Governance costs where applicable.

Deferred Income arises from child sponsorships paid annually and apportioned on a monthly annual basis from the date of receipt. The deferred income is carried forward as a liability within Creditors on the balance sheet. See note 6.1.

(e) Assets

Tangible Fixed Assets are capitalised if they can be used for more than one year, and cost at least £1,500. They are valued at cost.

(f) Foreign Currencies

Transactions in currencies other than pounds are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

The company uses foreign currency forward contracts in order to mitigate the impact of exchange rate fluctuations. These contracts are recognised at fair value with gains and losses being included in net income or expenditure for the period.

NOTES TO THE ACCOUNTS

Note 3

STAFF COSTS and BENEFITS

3.1 Staff Costs

	1/1/2024 to 31/12/2024 £	1/1/2023 to 31/12/2023 £
Salaries and wages	47,060	63,083
Social security costs		3,559
Pension costs (defined contribution scheme)	12,549	12,861
Other employee benefits		
Total staff costs	59,609	79,503

3.2 There was no expenditure on staff working for the charity whose contracts are with and are paid by a related party

3.3 No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

3.4 Average head count in the year |

2024 Number	2023 Number
2.0	3.0

3.5 The costs of the Defined Contribution Pension Scheme are included in Note 2's

Support Costs and have been apportioned between activities on an hours worked basis. No pension costs have been allocated to restricted funds.

Notes to the Accounts

Note 4

Grantmaking

4 Analysis of grants paid (included in cost of charitable activities)

Analysis	Grants to institutions 1/1/2024 to 31/12/2024 £	1/1/2023 to 31/12/2023 £
Funding for School and Family Welfare	681,692	514,357
Total	681.692	514,357

N.B The charity does not identify and/or allocate support costs.

Notes to the accounts
Notes 5, 6 and 7
Debtors and Creditors

5 Analysis of debtors

	This period £	Last year £
Trade debtors	-	-
Prepayments and accrued income		
Other debtors	109,649	25,000
Total	109,649	25,000

6 Analysis of creditors

	Amounts falling due		Amounts falling due after	
	within one year		more than one year	
	This period £	Last year £	This period £	Last year £
Accruals for grants payable	-	-	-	-
Bank loans and overdrafts	100,000	-	-	-
Trade creditors	-	-	-	-
Payments received on account for contracts or performance-related grants	-	-	-	-
Deferred income	3,080	3,870		14,200
Taxation and social security	-	-	-	-
Other creditors	283	1,082	-	-
Total	103,363	4,952		14,200

6.1 Deferred income

Some child sponsors pay annually and this is apportioned on a monthly annual basis from the date of receipt.

Movement in deferred income account

	This period £	Last year £
Balance at the start of the reporting period	18,070	43,798
Amounts added in current period	3,080	11,998
Amounts released to income from previous periods	(18,070)	(13,730)
Balance at the end of the reporting period	3,080	18,070

7 Cash at bank and in hand

Short term cash investments (less than 3 months maturity date)

Short term deposits

Cash at bank and in hand

Other

Total

	This period £	Last year £
	-	-
	-	-
	6,757	150,703
	124,419	124,419
Total	131,176	275,122

Note 8
Charity Funds

8.1 Details of material funds held and movements during the CURRENT reporting period 1/1/2024 to 31/12/2024

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
			£	£	£	£	£	£
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	280,757	489,884	(633,179)	-	-	137,462
Donations from Trusts	Restricted		-	24,244	(139,850)			- 115,606
								-
Gifts from sponsors	Restricted	Monetary gifts for the purchase of clothing, books, pay for health care, improve living conditions at home.	213	139,468	(24,075)			115,606
	Restricted		-			-		-
Total Funds			280,970	653,596	- 797,104	-	-	137,462

8.1 Details of material funds held and movements during the previous reporting period 1/1/2023 to 31/12/2023

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
			£	£	£	£	£	£
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	115,452	583,582	(418,277)	-	-	280,757
Donations from Trusts	Restricted		9,919	91,312	(101,231)			-
Gifts from sponsors	Restricted	Monetary gifts for the purchase of clothing, books, pay for health care, improve living conditions at home.	735	161,766	(162,288)			213
	Restricted		-			-		-
Total Funds			126,106	836,660	(681,796)	-	-	280,970

EDUCATION FOR THE CHILDREN FOUNDATION

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EDUCATION FOR THE CHILDREN FOUNDATION

ANNUAL REPORT AND ACCOUNTS

YEAR ENDED 31ST DECEMBER 2023

Charity Registration Number 1099280

www.eftcfoundation.org
enquiries@eftcfoundation.org

Principal and Registered Address:

52a Rectory Road, West Bridgford, Nottingham, Notts, NG2 6BU

Governance: The Charity is constituted under a trust deed dated 2nd October 2017.

Trustees who served during the year of 2023:

Michelle Aitken (Chair)

Matt Denman

Nimesh Kamath

Sophie McKee

Dougal Powrie

Nick Watling

Chief Executive: David McKee

The Board of Trustees meet regularly and twice a year, formally, to discuss policy, strategy and finances. In addition, trustees convene whenever the need arises to advise on matters of urgency. Decisions are made on a majority vote.

Risk Assessment

The risk register is continually updated and discussed at each meeting. The Trustees have assessed the major risks to which the charity is exposed and are satisfied that appropriate systems have been implemented to mitigate exposure to the major risks.

Bank:

Bank of Scotland plc

P.O. Box 1000

BX2 1LB

Independent Examiner:

Phil Glyn-Smith (FCA): Whiteacres, Cambridge Road, Whetstone,
Leicestershire, LE8 6ZG

This report covers Education for the Children Foundation's activities in the UK and Guatemala from 1st January 2023 to 31st December 2023. Education for the Children was formally established on 16 May 2003 and became a registered charity on 4 September 2003.

(Registered Charity number 1099280)

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Chair's Commentary

2023 finally saw a return to normality, both for the UK fundraising office and the School itself. Activities picked up, supporters and visitors returned, and new and creative ideas borne out of lockdown helped improve many of the processes going forward.

This year, we celebrated our monumental 20th Anniversary of EFTC. A range of events were hosted and celebrated with the wider EFTC community. These culminated in a local carnival event for students, families, staff and supporters in Jocotenango, Guatemala in July as well as a gala evening event for staff, alumni, local supporters, and foreign visitors. Both events were a real celebration of the team work, tenacity and positivity which is embodied by the School of Hope and the Foundation team and created lasting memories for all who attended.

We also recognised the achievements of particular members of staff at the School of Hope this year, as one employee celebrated her 20th year of service, one employee celebrating 5 years and three with 5 year anniversaries. This commitment, dedication and experience helps shape what we offer our students and wider community. Our team in Guatemala is now 98.2% local staff. This is an achievement of which we are particularly proud.

There have been a range of new programmes introduced this year to help students move into entrepreneurship and develop their own businesses when they leave school. Hairdressing and beauty training, design and crafting of fashion accessories gave students a means of earning money while they learn a trade. Our past student, who runs his own ice cream parlour goes from strength to strength.

In November, graduations from primary and secondary (6th and 9th grade) took place again and we were hugely encouraged by the number of students that graduated.

2023 was not without its challenges. We contended with the social and emotional fall out of the pandemic combined with growing pressures on a weary community who is forced to do more with less each year as prices rise but financial opportunity does not. We saw this through student behaviour in the classroom, the increase in bullying and the rise in the number of students needing complex support. Our Social Support team have worked hard to offer as much provision as they can and there has been dedicated fundraising to assist with a range of complex needs. Despite the challenges we have seen the pass rate improve for our students and this brings hope that the effects of the pandemic are slowly being addressed.

The leadership needed to bring this about was in no small part down to our Project Director, Sara Miller, who returned from maternity leave, and her leadership team. Sara will be engaging in an exciting new role for EFTC in January 2024, as she takes up the position of Executive Director of the USA, which will allow us to really raise our fundraising profile in a region that has great untapped potential for us.

We are particularly excited that the Project Director role will be filled by a previous Director and Founder of EFTC, Sophie McKee. This appointment gives us a smooth transition along with added experience that Sophie has gained during her time working in other roles outside of the Foundation. Welcome back, Sophie.

In the UK, our fundraising focused on some key events which secured wider support and built relationships. There was another successful Lords Cricket Ground event and a fully subscribed Golf Day which helped raise awareness and funds. As supporters look for new and more innovative types of events, it was felt that the Annual Dinner had become less attractive and the decision was made to omit this from the calendar and focus on other fundraising initiatives. The supporters at events join the wider group of individual sponsors in the UK and Europe, corporate sponsors, trust funds and those who have continued to join us in a range of fundraising activities. For both our grant givers and our individual supporters economic decline has still hit hard and the team have worked hard to mitigate any losses. Our regular sponsorship programme is crucial in ensuring sustainable funding and keeping these supporters engaged has again been a key focus in 2023. As usual, we prudently fixed our exchange rates and this helped secure our funding at a time when world events may have affected the Sterling/US Dollar rate at any time.

We welcomed both a new Finance Manager and Grant Fundraiser, both complementing the team and bringing some great results.

Again, we drew on our volunteers to assist with our events and other business activities. These include Phil Glyn-Smith for the Independent Examination, ensuring the accounts are filed on time. Our gratitude and thanks, once again, is extended to Castlegate Capital Ltd for providing us with heavily subsidised office space and continuing to cover office expenses. Without this support, EFTC would bear significant additional costs, enabling us to pass on more of our supporters' donations to the School of Hope.

2023, and our 20th anniversary provided a motivating boost to the whole EFTC team who have continued to act flexibly and creatively when necessary.

The effort that the staff put in to continue our work and to sustain the education of our students is to be congratulated. Resilience and determination of the whole organisation has led to the results in this report.

We also looked forward to our goals for the future development of the Foundation and the School and 2024 will bring a focus on wider fundraising activities to start to put these into place.

*Michelle Aitken
Chair of Trustees*

Educate, Nurture, Empower

Driven by a commitment to equal opportunities, Education for the Children has worked with thousands of disadvantaged young people and families from the Jocotenango area since 2003.

Our Mission

That young people from all backgrounds have the ability to access quality education and opportunities for rewarding employment.

Our Vision

We aim to empower young people with the skills and confidence to be successful in their chosen careers.

Values

- Highly individualised approach
- Long-term commitment
- Holistic support
- Community-centred

4 Pillars

- Education
- Nutrition
- Healthcare
- Social Support

Highlights: Month by Month

FEBRUARY

We organised a Career Fair and one-on-one meetings to support our 9th graders as they prepared for high school.

We launched the first in a series of **entrepreneurship workshops** —a course to certify students as Spanish teachers.

APRIL

EFTC entrepreneur Marcos Aquino opened his taco shop, El Sazón Mexicano, in the bustling Antigua Market, offering delicious local treats.

JUNE

For the second year, we ran the **School for Parents** in collaboration with the Municipal Women's Office, educating parents on positive discipline, emotional regulation, and bonding with their children.

AUGUST

We launched a series of teacher trainings, focusing on project-based evaluations and individualised learning goals as part of our **new EFTC methodology** which we continued to develop throughout the year.

OCTOBER

We held **graduations** for our 6th and 9th graders, as well as our first ever **kindergarten graduation** ceremony.

Start of our first **summer school** since the pandemic, with 157 students participating in various educational activities.

DECEMBER

We organised our fourth annual **food drive**, distributing food hampers and gifts to ensure all **352 families** had a joyful Christmas. This was made possible by donations from sponsors, staff, and our wider network.

JANUARY

On 16 January, we welcomed **413 students** back to the School of Hope for our first full year of uninterrupted in-person teaching since the pandemic.

MARCH

We were finally able to reinstate **tutoring and workshops**, with students receiving support in math and literacy, and participating in activities from jewellery making to computer programming.

MAY

On 16 May, we celebrated **20 years since EFTC was registered** as a UK charity, marking two decades of transformative education and support for the Jocotenango community.

JULY

For **EFTC's 20th Anniversary celebration**, we hosted a vibrant multi-day fiesta attended by friends and supporters from all over Guatemala, the US, and the UK. Highlights included a carnival and a gala evening.

SEPTEMBER

An incredible donation of 204 pairs of glasses from Dr. Nadeem Ali and his team was distributed to 102 students.

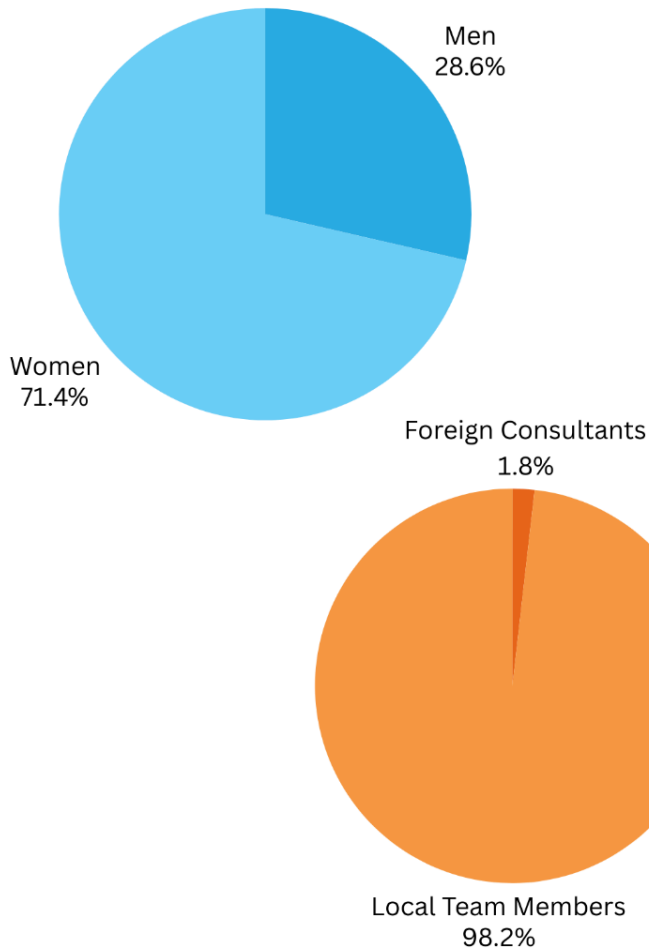
In collaboration with the Labour Ministry, we hosted a **job fair for the entire Jocotenango community**, attended by over 770 people.

NOVEMBER

Another **entrepreneur**, Israel Lopez, opened his own barber shop.



Our Staff



75
Female leadership

%

22

Guatemalan leadership

%

- In 2023, we were able to reinstate 4 former full-time positions that we had not replaced during COVID.
- 56 positions in Guatemala; 53 full-time
- 12 permanent positions turned over during the year, making our staff retention rate 77.4%
- One staff member celebrated their 20-year anniversary, one their 10-year anniversary, and three celebrated 5 years of service.



Pass Rate

2019	2020	2021	2022	2023
91.36%	99.2%	94.9%	93.85%	95.3%



Retention Rate

2019	2020	2021	2022	2023
96.4%	98.9%	93.5%	97.9%	96.4%

The initial student population for 2023 was 418 students, and 402 completed the year. Only 19 students are repeating, 8 in Primary School and 11 in Junior High. The highest concentration of students having to repeat was in 6th and 8th grade—both of these groups are high risk with a lot of complex behavioural, educational, and social issues.

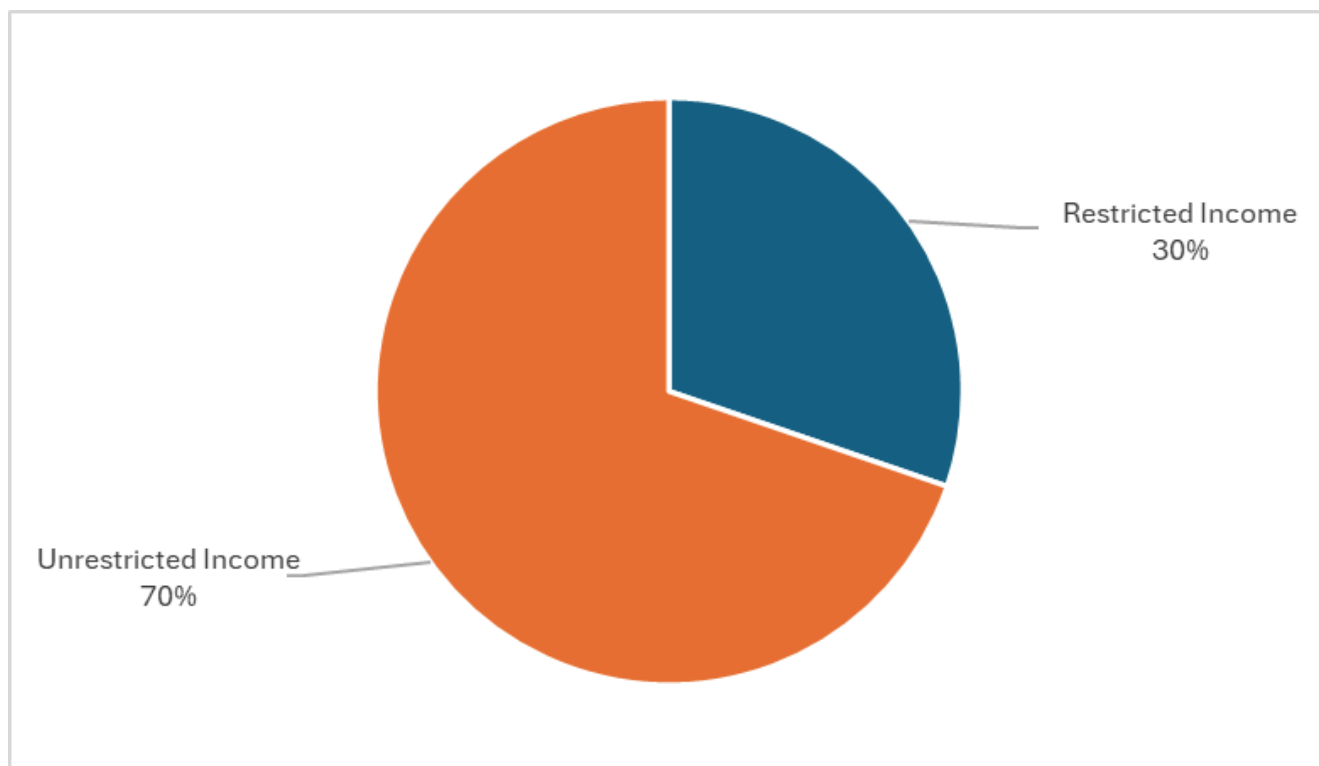
At the end of October, graduation ceremonies were held at the Los Llanos salon for 38 6th graders, and at the Jocotenango salon for 36 9th graders. We held our first ever simple kindergarten graduation ceremony on the school's sports pitch.

For full details and impact of all of our programmes in 2023 please visit www.eftcfoundation.org or contact us at enquiries@eftcfoundation.org.

Financial Commentary

The accounting period runs from 1 January to 31 December 2023 to align with the Guatemalan school year.

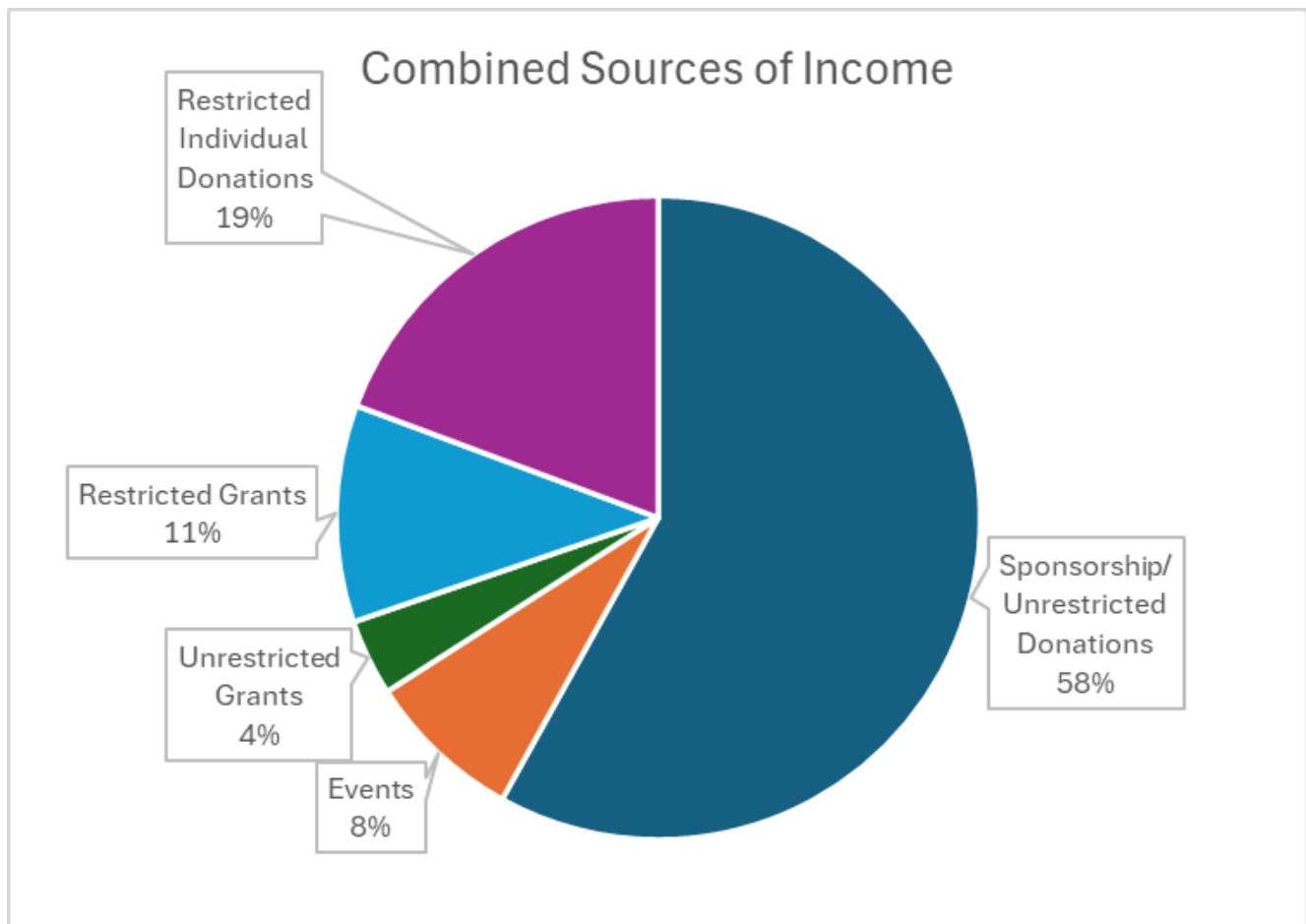
The total income raised was £836,660 of which of which £253,078 was restricted and £583,582 was unrestricted.



The main source of unrestricted income for Education for the Children is through the student sponsorship programme and personal donations, as well as some key corporate sponsors who together, in the accounting year to 31 December 2023, raised 83.2% of the total unrestricted income. We have had particularly strong support from an individual supporter who in addition to the continued sponsorship made a generous donation of £150,000 to unrestricted funds. The funds raised have increased from the previous year and we are hopeful that this will steadily improve again after a difficult year in 2022.

A further 5.5% of the total unrestricted income came from our charitable trusts and grant givers. As previously mentioned, event income was lower than 2022 at 11.3% of the total unrestricted income due to the removal of the Annual Dinner. The shortfall, against 2022, was made up by success in our grant applications to new and existing charitable foundations.

This income is supported by restricted funds which can be from individuals, corporations or charitable trust grants. Restricted funds were 30% of our total income in this year, which were specific donations from individuals and corporations. This figure includes a major charitable foundation restructuring their support, meaning we did not receive £100,000 in 2023. However, 2024 has started with the boost of £150,000 from this foundation which was paid out at a time when resources are always necessary as the school years starts. We also received significant support from the Paquita Filby Trust who, in addition to their regular support, gave us a further donation to cover the costs of renewing the School roof. The Foundation for Education to improve Family Planning (FEFP) generously donated £60,000 to support roof repairs and running costs.



As with many of the charitable trusts, grant givers, corporate or Foundation supporters, the ability to provide as generous support as in previous years has been difficult and we have seen a drop in the total amounts here too.

Our fundraising costs decreased in 2023 as our main fundraiser started maternity leave and we did not hold the Annual dinner. In 2023, the UK office was staffed by an equivalent of 3 full time positions by 5 staff members, all working part time.

Education for the Children took action again in 2023 to avoid currency fluctuations having an impact on finances in Guatemala by forward buying of the US dollar and setting the annual budget figures based on this rate.

The amount spent to support the education and welfare provision at the School of Hope was £514,357 of the total charity expenditure. The School also worked hard to reduce the income needed whilst still offering our provision to the students.

Education for the Children holds no investments in the charity name and makes no income from any endowment funds.

In the balance sheet at the current liabilities line, it can be seen that these are not actually liabilities but rather deferred income derived from sponsorship paid in advance, £14,200 in 2023, and is fully spendable by us.

At the end of December 2023, reserves were £280,970, which meets the reserves policy of the Foundation and is considered healthy.

Reserves Policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The Trustees consider that this level will provide sufficient funds to maintain our services and ensure that support and governance costs are covered. Clearly, this year has, again, been difficult due to a variety of economic pressures in the UK and the reserves fell to below this level at certain times. A subcommittee of Trustees continues to monitor financial planning, including currency and cash flow management.

Arrangements for Setting Pay and Remuneration

Pay and Remuneration is set by the Trustees in the UK and by the Foundation Director in Guatemala after guidelines issued by the Trustees.

INDEPENDENT EXAMINER'S REPORT

Report to the trustees of Education for the Children Foundation (Charity Reg No 1099280) on accounts for the year ended 31st December 2023.

Set out on pages: 14 -24

Responsibilities and basis of report

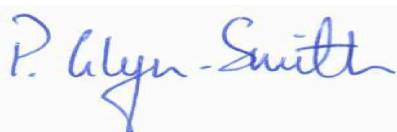
As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 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.



Name: Philip Anthony Glyn-Smith August 28th 2024

Relevant professional qualification(s) or body: FCA

Address: Whiteacres, Cambridge Road, Whetstone, Leicestershire, LE8 6ZG

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR 1 JANUARY 2023 to 31 DECEMBER 2023

				Charity No.	1099280
		Unrestricted Funds	Restricted Funds	Total Funds	
		1/1/2023 to 31/12/2023	1/1/2023 to 31/12/2023	1/1/2023 to 31/12/2023	Year to 31/12/22
	Notes	£	£	£	£
<u>Income from:</u>					
Child Sponsorships and Donations	2	485,713	161,766	647,479	344,935
Grants Received	2	32,000	91,312	123,312	182,354
Fund Raising Events	2	65,869	-	65,869	84,175
Bank Interest					
Total Income		583,582	253,078	836,660	611,464
<u>Expended on:</u>					
Raising Funds	2,3	167,439		167,439	175,538
Education and Welfare Provision in Guatemala	4	250,838	263,519	514,357	440,901
Total Expenditure		418,277	263,519	681,796	616,439
Net Movement in Funds		165,305	(10,441)	154,864	(4,975)
<u>Reconciliation of Funds:</u>					
Total Funds Brought Forward		115,452	10,654	126,106	131,081
Total Funds Carried Forward		280,757	213	280,970	126,106

Balance Sheet

<u>As At 31 December 2023</u>				
	Notes	As at 31/12/2023 £		As at 31/12/2022 £
<u>Current assets</u>				
Debtors	5	25,000		95,427
Cash at bank and in hand	7	275,122		74,788
Total current assets		300,122		170,215
Current Liabilities Due within one year				
Current Liabilities Due within one year	6	4,952		19,109
Net current assets/(liabilities)		295,170		151,106
Total assets less current liabilities		295,170		151,106
Current Liabilities Due after one year				
Deferred income - Annual Sponsorship received in advance to be paid to the school in future years	6	14,200		25,000
Total net assets or liabilities		280,970		126,106
<u>Funds of the Charity</u>				
Restricted income funds	8	213		10,654
Unrestricted funds		280,757		115,452
Total funds		280,970		126,106

Signed by one or two Trustees on behalf of all the Trustees



Print Name

Date

Michelle Aitken	7/8/2024
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STATEMENT OF CASH FLOWS

For Year 1 January 2023 to 31 December 2023

	Total Funds 2023 £	Prior Year 2022 £
Net Cash used in Operating Activities	200,334	(59,532)
<i>Cash Flows from Investing Activities</i>		
Interest and Dividends		
Net Cash Provided By Investing Activities	-	-
Change in Cash and Cash Equivalents in the Year	200,334	(59,532)
Cash and Cash equivalents brought forward	74,788	134,320
Cash and Cash equivalents carried forward	275,122	74,788

Reconciliation of Net Movement in Funds to net cash flow from operating activities

	<u>31/12/2023</u> £	<u>31/12/2022</u> £
Net Movement in Funds	154,864	(4,975)
Deduct Interest shown in Investing Activities		
Decrease (increase) in Debtors	70,427	(37,588)
Increase (decrease) in Creditors	(24,957)	(16,969)
Net Cash Used in Operating Activities	200,334	(59,532)

Note 1

ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

(b) Funds Structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is one permanent restricted fund held for monetary gifts from a child's sponsor for the purchase of clothing, additional books and studying material, health care and in some cases improvements to their living conditions at home. When large grants are received for a specific purpose a separate restricted fund is raised.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

(c) Income Recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants and Donations that are subject to terms and conditions are treated as Deferred Income until it is probable that the terms and conditions can be met. If the conditions are not wholly within the control of the charity it will be disclosed as a contingent asset.

Donated Services provided by Castlegate Capital Ltd to the Charity are not reasonably quantifiable, measurable or material, but the scope of the support is mentioned in the Trustees' Annual Report.

Volunteer Help received is not included in the accounts, but is described in the Trustees' Annual Report.

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid received on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or terms of the appeal have specified otherwise.

(d) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Support costs. Office staff costs are the major component of Support Costs. As such Support Costs have been apportioned on a time spent basis. Where direct costs have arisen when staging events, these have been charged against the particular event.

Governance Costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice. Support costs have been allocated to Governance costs where applicable.

Deferred Income arises from child sponsorships paid annually and apportioned on a monthly annual basis from the date of receipt. The deferred income is carried forward as a liability within Creditors on the balance sheet. See note 6.1.

(e) Assets

Tangible Fixed Assets are capitalised if they can be used for more than one year, and cost at least £1,500. They are valued at cost.

(f) Foreign Currencies

Transactions in currencies other than pounds are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

The company uses foreign currency forward contracts in order to mitigate the impact of exchange rate fluctuations. These contracts are recognised at fair value with gains and losses being included in net income or expenditure for the period.

Notes to the Accounts

Note 2

Analysis of Income and Costs

FOR THE YEAR 1 JANUARY to 31 DECEMBER 2023

		Unrestricted funds income year to 31/12/2023	Restricted income funds year to 31/12/23	Total funds for year to 31/12/23	Prior year 31/01/22 -31/12/22
		£	£	£	£
Donations	Child Sponsorships	175,693	-	175,693	165,596
	Donations Received Directly	260,210	161,766	421,976	140,332
	Gift Aid	49,810	-	49,810	39,007
		-	-	-	-
	<i>Sub Total</i>	485,713	161,766	647,479	344,935
	Grants from other Charitable Foundations	32,000	91,312	123,312	182,354
	Other	-	-	-	-
	Total Income from Child Sponsorships and Donations	517,713	253,078	770,791	527,289
	Office Support Costs			-	-
	Net Income from Child Sponsorships and Donations	517,713	253,078	770,791	527,289
Fund Raising Events	Annual Dinner	-	-	-	10,660
	Golf Day	12,443	-	12,443	9,220
	Lord's Lunch	42,132	-	42,132	46,393
	World EFTC day	-	-	-	1,028
	Other (Community income, Christmas Campaign)	11,294	-	11,294	16,874
	Total Income From Fund Raising Events	65,869	-	65,869	84,175
	Direct Costs of Staging Events	(34,485)	-	(34,485)	(41,245)
Office Support Costs	(5,414)	-	(5,414)	(2,723)	
	Net Income From Fund Raising Events	25,970	-	25,970	40,207
Investment Income	Interest	-	-	-	-
	Total	-	-	-	-
	TOTAL INCOME LESS EVENT COSTS	543,683	253,078	796,761	567,496
EXPENDED ON:-	Direct Costs of Staging Events	-	-	-	-
	Total Governance Costs	(127,541)	-	(127,541)	(131,570)
	Sub-Total of Costs	(127,541)	-	(127,541)	(131,570)
	Education and Welfare provision in Guatemala	(250,838)	(263,519)	(514,357)	(440,901)
	Net Movement in Funds (as per SoFA)	165,304	(10,441)	154,863	(4,975)
N.B.	As most of the Office Support Costs are staff salaries, all support costs have been apportioned on an hours worked basis				

NOTES TO THE ACCOUNTS

Note 3

STAFF COSTS and BENEFITS

3.1 Staff Costs

	1/1/2023 to 31/12/2023 £	1/1/2022 to 31/12/2022 £
Salaries and wages	63,083	58,847
Social security costs	3,559	3,843
Pension costs (defined contribution scheme)	12,861	16,571
Other employee benefits		
Total staff costs	79,503	79,261

3.2 There was no expenditure on staff working for the charity whose contracts are with and are paid by a related party

3.3 No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

3.4 Average head count in the year |

2023 Number	2022 Number
3.0	3.0

3.5 The costs of the Defined Contribution Pension Scheme are included in Note 2's Support Costs and have been apportioned between activities on an hours worked basis. No pension costs have been allocated to restricted funds.

Notes to the Accounts

Note 4

Grantmaking

4 Analysis of grants paid (included in cost of charitable activities)

Analysis	Grants to institutions 1/1/2023 to 31/12/2023 £	1/1/2022 to 31/12/2022 £
Funding for School and Family Welfare	514,357	440,901
Total	514,357	440,901

N.B The charity does not identify and/or allocate support costs.

Notes to the accounts
Notes 5, 6 and 7
Debtors and Creditors

5 Analysis of debtors

	This period £	Last year £
Trade debtors	-	88,099
Prepayments and accrued income		
Other debtors	25,000	7,328
Total	25,000	95,427

6 Analysis of creditors

	Amounts falling due		Amounts falling due after	
	within one year		more than one year	
	This period £	Last year £	This period £	Last year £
Accruals for grants payable	-	-	-	-
Bank loans and overdrafts	-	-	-	-
Trade creditors	-	-	-	-
Payments received on account for contracts or performance-related grants	-	-	-	-
Deferred income	3,870	18,798	14,200	25,000
Taxation and social security	-	-	-	-
Other creditors	1,082	311	-	-
Total	4,952	19,109	14,200	25,000

6.1 Deferred income

*Some child sponsors pay annually and this is apportioned on a monthly annual basis from the date of receipt.
In addition one large donation was made to support a class over a three year period.*

Movement in deferred income account

	This period £	Last year £
Balance at the start of the reporting period	43,798	40,868
Amounts added in current period	-	13,730
Amounts released to income from previous periods	(25,728)	(10,800)
Balance at the end of the reporting period	18,070	43,798

<u>7 Cash at bank and in hand</u>	This period £	Last year £
Short term cash investments (less than 3 months maturity date)	-	-
Short term deposits	-	-
Cash at bank and in hand	150,703	74,788
Other	124,419	-
Total	275,122	74,788

Note 8
Charity Funds

8.1 Details of material funds held and movements during the CURRENT reporting period 1/1/2023 to 31/12/2023

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	115,452	583,582	(418,277)	-	-	280,757
Donations from Trusts	Restricted		9,919	91,312	(101,231)			-
Gifts from sponsors	Restricted	Monetary gifts for the purchase of clothing, books, pay for health care, improve living conditions at home.	735	161,766	(162,288)			213
	Restricted		-			-		-
Total Funds			126,106	836,660	(681,796)	-	-	280,970

0

8.2 Details of material funds held and movements during the PREVIOUS reporting period 1/1/2022 to 31/12/2022

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	127,875	446,882	(459,305)	0	0	115,452
Donations from Trusts	Restricted		1,991	149,954	(142,026)			9,919
Gifts from sponsors	Restricted	Monetary gifts for the purchase of clothing,	1,215	14,628	(15,108)			735
	Restricted					0		0
Total Funds			131,081	611,464	(616,439)	0	0	126,106

EDUCATION FOR THE CHILDREN FOUNDATION

England & Wales - Charity number 1099280

Accounts



EDUCATION FOR THE CHILDREN FOUNDATION

ANNUAL REPORT AND ACCOUNTS

YEAR ENDED 31ST DECEMBER 2022

Charity Registration Number 1099280

www.eftc.org.uk
enquiries@eftc.org.uk

Principle and Registered Address:

52a Rectory Road, West Bridgford, Nottingham, Notts, NG2 6BU

Governance: The Charity is constituted under a trust deed dated 2nd October 2017.

Trustees who served during the year of 2022:

Michelle Aitken (Chair)
Matt Denman
Nimesh Kamath
Sophie McKee
Dougal Powrie
Nick Watling (elected September 2022)

Chief Executive: David McKee

The Board of Trustees meet regularly and twice a year, formally, to discuss policy, strategy and finances. In addition, trustees convene whenever the need arises to advise on matters of urgency. Decisions are made on a majority vote.

Risk Assessment

The risk register is continually updated and discussed at each meeting. The Trustees have assessed the major risks to which the charity is exposed and are satisfied that appropriate systems have been implemented to mitigate exposure to the major risks.

Bank:

Bank of Scotland plc
P.O. Box 1000
BX2 1LB

Independent Examiner:

Phil Glyn-Smith (FCA): Whiteacres, Cambridge Road, Whetstone,
Leicestershire, LE8 6ZG

This report covers Education for the Children Foundation's activities in the UK and Guatemala from 1st January 2022 to 31st December 2022. Education for the Children was formally established on 16 May 2003 and became a registered charity on 4 September 2003.
(Registered Charity number 1099280)

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Chair's Commentary

2022 was a long road to normality, both for the UK fundraising office and the School itself. The many difficulties faced throughout the year were lifted by the one huge success of The School of Hope opening after two years of closure. This year, the dedicated staff focused on welcoming students back from difficult times of learning, picking them up from where they left off and ensuring that they developed and had success. Student wellbeing played a key part in this process.

In November, graduations from primary and secondary (6th and 9th grade) took place again and we were hugely encouraged by the number of students that graduated.

Sponsor visits started up again, bringing new input and volunteering time. The noise and energy within the school returned and the Guatemalan team came out of the pandemic as a stronger, more united and much more adaptable team, demonstrating fantastic levels of resilience. The leadership needed to bring this about was in no small part down to our Project Director, Sara Miller, and her leadership team. In her words, there have been and are challenges going into 2023 'There are many glaring effects from the pandemic. Delayed development of academic skills, the marked increase in high-risk social cases especially among our teenagers. Rising prices that push our families who live in already precarious situations over the edge financially. Kindergarten classes who have not socialised or developed language as they should have. As we recover we must be patient and dedicated. We must continue to focus on the individual needs of each student and strengthen our staff to continuously adapt programs.'

In the UK, as our fundraising started to pick up, we saw sterling decline after a UK mini budget hit foreign exchange markets. Each year we prudently fix our exchange rates on an annual basis and this helped secure our funding at a difficult time.

The final quarter of the year marked the start of a busy fundraising period and our Lord's event was well supported. This was a particularly joyous event as supporters got together again to celebrate the work of EFTC in a prestigious setting. Sara came over for the event to meet key sponsors and corporates and this was well received by all of our supporters. These supporters join the wider group of individual sponsors in the UK and Europe, corporate sponsors, trust funds and those who have continued to join us in a range of fundraising activities.. As both grant givers and our individual supporters suffered from the residual effects of the pandemic as well as economic decline, there was a slight drop in both of these areas of funding. Each type of supporter makes a big difference and we truly appreciate the contribution they make. Our regular sponsorship programme is crucial in ensuring sustainable funding and keeping these supporters engaged has again been a key focus in 2022.

Again, we drew on our volunteers to assist with our events and other business activities. These include Phil Glyn-Smith and Alison Hollett for their work on ensuring the accounts are filed on time. Our gratitude and thanks, once again, is extended to Castlegate Capital Ltd for providing us with heavily subsidised office space and continuing to cover office expenses which we were happy to move back into in 2022. Without this support, EFTC would bear significant additional costs, enabling us to pass on more of our supporters' donations to the School of Hope. We also received significant donations for emergency roof repairs.

Our staff, students and families were still facing a wide range of challenges throughout 2022. What has emerged is a strength within the whole team and a continued ability to be flexible and agile which will take us on our journey going forward. In the UK office we were pleased to welcome back our key fundraising manager who had been on maternity leave and she has been successful in nurturing and developing new relationships. We are now at a full complement of staff so fundraising activities are now well underway.

The effort that the staff put in to continue our work and to sustain the education of our students is to be congratulated. Resilience and determination of the whole organisation has led to the results in this report. A report we are proud of in light of the challenging new beginnings.

Michelle Aitken

Chair of Trustees

Educate, Nurture, Empower

Driven by a commitment to equal opportunities, Education for the Children has worked with thousands of disadvantaged young people and families from the Jocotenango area since 2003.

Our Mission

That young people from all backgrounds have the ability to access quality education and opportunities for rewarding employment.

Our Vision

We aim to empower young people with the skills and confidence to be successful in their chosen careers.

Values

- Highly individualised approach
- Long-term commitment
- Holistic support
- Community centred

4 Pillars

- Education
- Nutrition
- Healthcare
- Social Support

Highlights: Month by Month

FEBRUARY

Our 4th entrepreneur Elias, opened his barber shop in the centre of Jocotenango.

APRIL

12 weeks of Saturday School commenced. 70 students from 2nd to 9th grade participated, referred by their teachers based on their level of need

JUNE

The 6 months long School for Parents project started, facilitated with the Municipal Womens Office

AUGUST

The school was able to hold parents teacher conferences for the first time since 2019.

OCTOBER

Twin crises of soaring inflation and currency instability focused fundraising activity in Q4 on mitigating the impact on the 2023 budgets.

DECEMBER

Funding was obtained and the School of Hope roof was replaced. The school will no longer struggle with constant leaks and it will be much cooler in summer. .

JANUARY

Every student returned to the classroom - part time schedules and utilizing every inch of space enabled 47 separate small classes to operate.

MARCH

Monthly IT trainings commenced for all staff. The School of Hope is more technologically advanced than many private schools and all public schools in the region.

MAY

42 seventh graders undertook MAP testing (a US standard) in Math to measure improvement, need and show impact.

JULY

School of Hope was given permission to return to full time in person learning at full capacity - one of the first schools allowed to re-open in the region.

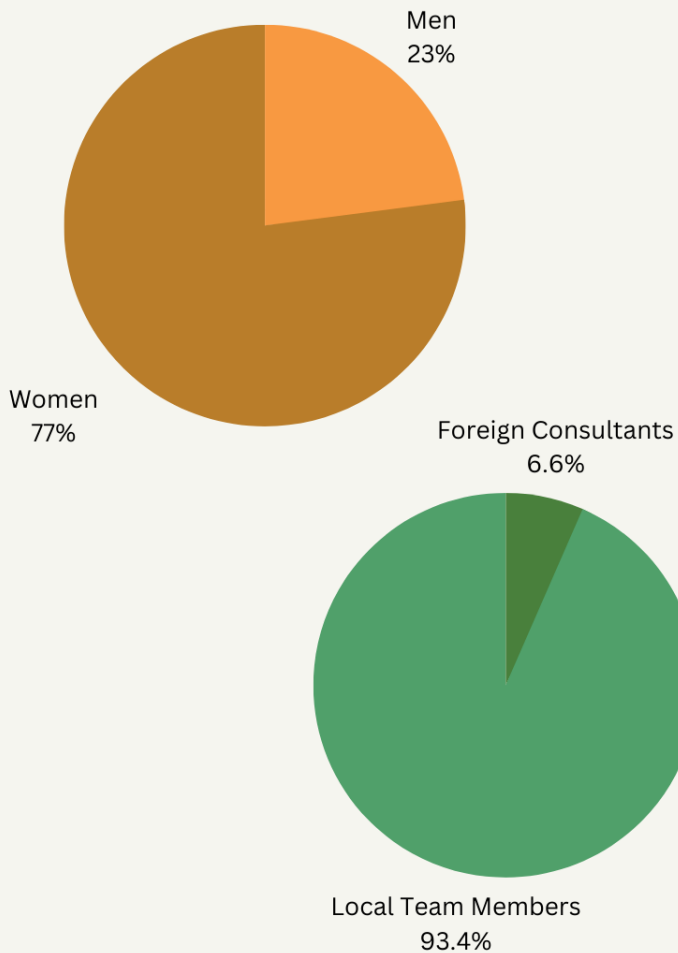
SEPTEMBER

Independence Day celebrations held for the first time since the pandemic

NOVEMBER

Graduations for Primary and Junior High Students took place in person and in the Municipal Hall in Jocotengo for the first time since 2019.

Our Staff



73%

female leadership

82%

Guatemalan leadership

- New, enthusiastic team - vast majority of our teachers and administrators hired between 2021-2022
- Their positive attitude, resilience, talent and perseverance allowed the school to re-open and thrive
- 61 positions in Guatemala - 49 full time
- 2 staff celebrated 10 years service, 2 staff celebrated 5 years service.



Pass Rate

2018	2019	2020	2021	2022
88.07%	91.36%	99.2%	94.9%	93.85%



Retention Rate

2018	2019	2020	2021	2022
97.2%	96.4%	98.9%	93.5%	97.9%

The initial student population for 2022 was 432 students and 423 completed the year. Only 26 students are repeating, 22 in Primary and 4 in Junior High. The biggest hurdle for our youngest students has been learning how to read and write, especially as many of them are a year or two late for this milestone.

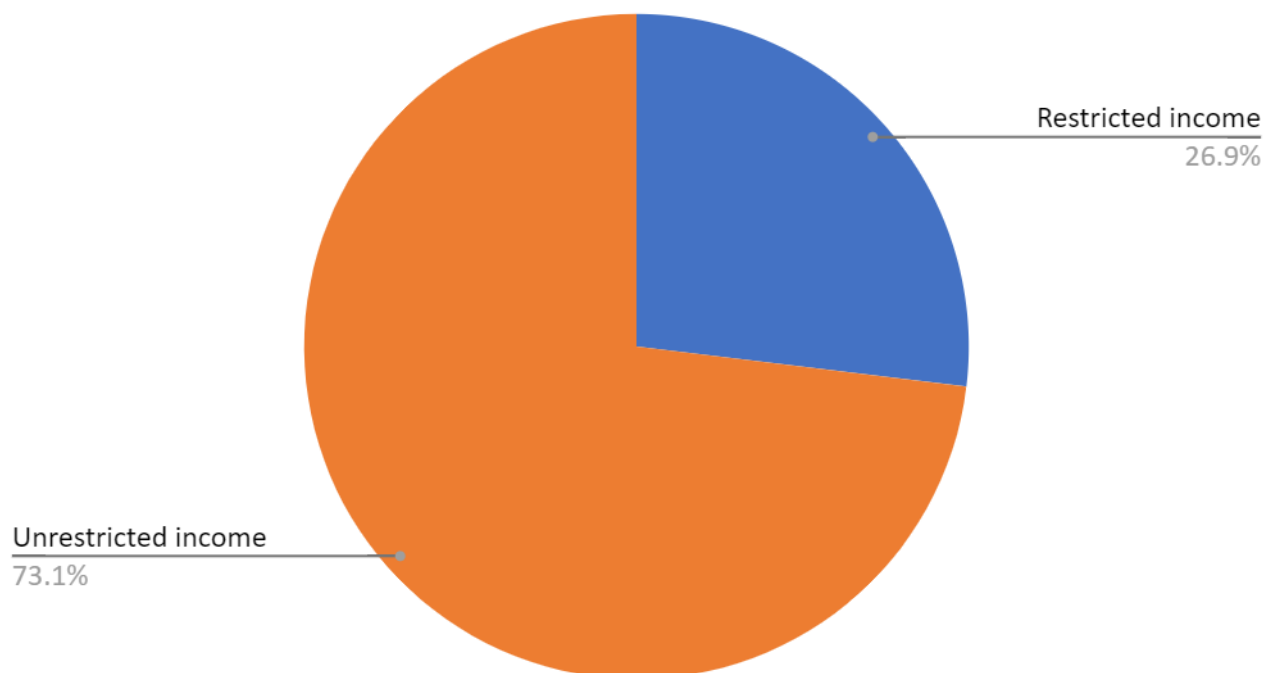
In November, graduation ceremonies took place at the municipal hall in Jocotenango. 46 sixth graders and 41 ninth graders were celebrated.

For full details and impact of all of our programmes in 2022 please visit www.eftcfoundation.org or contact us on enquiries@eftc.org.uk

Financial Commentary

The accounting period runs from 1 January to 31 December to align with the Guatemalan school year.

The total income raised was £611,464 of which of which £164,582 was restricted and £446,882 was unrestricted.

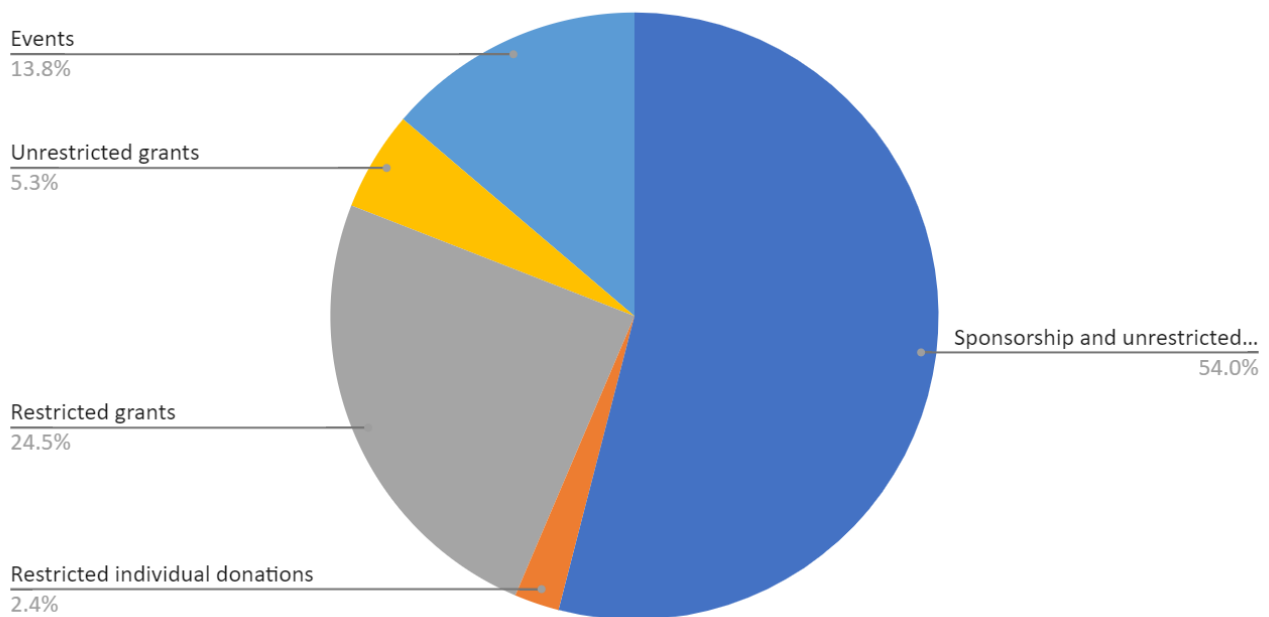


The main source of unrestricted income for Education for the Children is through the student sponsorship programme and personal donations, as well as some key corporate sponsors who together, in the accounting year to 31 December 2022, raised 54% of the total unrestricted income. Whilst the funds raised has dropped from the previous year due to individuals' own income being affected by the external economic factors, we were able to continue our relationship with most of our sponsors, which has been really encouraging.

A further 5.3% of unrestricted income came from our charitable trusts and grant givers which was slightly lower than 2021 due to the size of grants being reduced. Again, event income was lower than 2021 at 13.8%, due to the downturn in the economy. The shortfall, against 2021, was made up by some generous individual donations.

This income is supported by restricted funds which can be from individuals, corporations or charitable trust grants. Restricted funds were 26.9% of our total income in this year, which were specific donations from individuals and corporations, most notably the continued support from St. James's Place Foundation. St. James's Place Foundation continues to be a long term supporter of EFTC. They have provided funds for a number of initiatives at the school which have enabled us to embed various activities into our core service provision and help us to continue our work in the Further Education programme. We also received significant support from the Paquita Filby Trust who, in addition to their regular support, gave us a further donation to cover the costs of renewing the School roof.

Sources of Income



As with many of the charitable trusts, grant givers, corporate or Foundation supporters the ability to provide as generous support as in previous years has been difficult and we have seen a drop in the total amounts here too.

Our fundraising costs increased in 2022 as our main fundraiser returned from maternity leave and engaged in stewardship of our supporters and acquisition of new support. In 2022, the UK office was staffed by an equivalent of 3 full time positions by 4 staff members, all working part time.

Education for the Children took action again in 2022 to avoid currency fluctuations having an impact on finances in Guatemala by forward buying of the US dollar and setting the annual budget figures based on this rate.

The amount spent to support the education and welfare provision at the School of Hope was £440,901 of the total charity expenditure. The School also worked hard to reduce the income needed whilst still offering our provision to the students.

Education for the Children holds no investments in the charity name and makes no income from any endowment funds.

In the balance sheet at the current liabilities line, it can be seen that these are not actually liabilities but rather deferred income derived from sponsorship paid in advance, £25,000 in 2022, and is fully spendable by us.

At the end of December 2022, reserves were £126,106, which is close to the reserves policy of the Foundation and due to exceptional circumstances over the last 3 years is considered healthy.

Reserves Policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The Trustees consider that this level will provide sufficient funds to maintain our services and ensure that support and governance costs are covered. Clearly, this year has, again, been difficult due to a variety of economic pressures in the UK and the reserves have fallen to under this level. We are confident that once there is more stability in the fundraising possibilities again, we can increase our reserves back to previous years' levels.

A subcommittee of Trustees continues to monitor financial planning, including currency and cash flow management.

Arrangements for Setting Pay and Remuneration

Pay and Remuneration is set by the Trustees in the UK and by the Foundation Director in Guatemala after guidelines issued by the Trustees.

INDEPENDENT EXAMINER'S REPORT

Report to the trustees of Education for the Children Foundation (Charity Reg No 1099280) on accounts for the year ended 31st December 2022.

Set out on pages: 14 -24

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 Trust's 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 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.



Name: Philip Anthony Glyn-Smith August 30th 2023

Relevant professional qualification(s) or body: FCA

Address: Whiteacres, Cambridge Road, Whetstone, Leicestershire, LE8 6ZG

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR 1 JANUARY 2022 to 31 DECEMBER 2022

Charity No. **1099280**

		Unrestricted Funds 1/1/2022 to 31/12/2022	Restricted Funds 1/1/2022 to 31/12/2022	Total Funds 1/1/2022 to 31/12/2022	Year to 31/12/21
	Notes	£	£	£	£
<u>Income from:</u>					
Child Sponsorships and Donations	2	330,307	14,628	344,935	317,122
Grants Received	2	32,400	149,954	182,354	183,235
Fund Raising Events	2	84,175	0	84,175	93,955
Bank Interest					
Total Income		446,882	164,582	611,464	594,312
<u>Expended on:</u>					
Raising Funds	2,3	175,538		175,538	139,992
Education and Welfare Provision in Guatemala	4	283,767	157,134	440,901	472,153
		-		-	-
Total Expenditure		459,305	157,134	616,439	612,145
Net Movement in Funds		(12,423)	7,448	(4,975)	(17,833)
<u>Reconciliation of Funds:</u>					
Total Funds Brought Forward		127,875	3,206	131,081	148,914
Total Funds Carried Forward		115,452	10,654	126,106	131,081

Balance Sheet As At 31 December 2022

	Notes	As at 31/12/2022 £	As at 31/12/2021 £
Current assets			
Debtors	5	95,427	57,839
Cash at bank and in hand	7	74,788	134,320
Total current assets		170,215	192,159
Current Liabilities Due within one year	6	19,109	35,245
Net current assets/(liabilities)		151,106	156,914
Total assets less current liabilities		151,106	156,914
Current Liabilities Due after one year			
Deferred income - Annual Sponsorship received in advance to be paid to the school in future years	6	25,000	25,833
Total net assets or liabilities		126,106	131,081
<u>Funds of the Charity</u>	8		
Restricted income funds		10,654	3,206
Unrestricted funds		115,452	127,875
Total funds		126,106	131,081

Signed by one or two Trustees on behalf of all the Trustees



Print Name

Date

**Michelle
Aitken**

30.06.2023

STATEMENT OF CASH FLOWS

For Year 1 January 2022 to 31 December 2022

	Total Funds 2022 £	Prior Year 2021 £
Net Cash used in Operating Activities	(59,532)	(16,534)
<i>Cash Flows from Investing Activities</i>		
Interest and Dividends		
Net Cash Provided By Investing Activities		
Change in Cash and Cash Equivalents in the Year	(59,532)	(16,534)
Cash and Cash equivalents brought forward	134,320	150,854
Cash and Cash equivalents carried forward	74,788	134,320
 <u>Reconciliation of Net Movement in Funds to net cash flow from operating activities</u>		
	<u>31/12/2022</u> £	<u>31/12/2021</u> £
Net Movement in Funds	(4,975)	(17,833)
Deduct Interest shown in Investing Activities		
Decrease (increase) in Debtors	(37,588)	(20,794)
Increase (decrease) in Creditors	(16,969)	22,093
Net Cash Used in Operating Activities	(59,532)	(16,534)

Note 1
ACCOUNTING POLICIES
(a) <u>Basis of preparation and assessment of going concern</u>
The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.
The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.
(b) <u>Funds Structure</u>
<u>Restricted funds</u> are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is one permanent restricted fund held for monetary gifts from a child's sponsor for the purchase of clothing, additional books and studying material, health care and in some cases improvements to their living conditions at home. When large grants are received for a specific purpose a separate restricted fund is raised.
<u>Unrestricted income funds</u> comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.
(c) <u>Income Recognition</u>
<u>All income</u> is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
<u>Grants and Donations</u> that are subject to terms and conditions are treated as Deferred Income until it is probable that the terms and conditions can be met. If the conditions are not wholly within the control of the charity it will be disclosed as a contingent asset.
<u>Donated Services</u> provided by Castle Gate Capital Ltd to the Charity are not reasonably quantifiable, measurable or material, but the scope of the support is mentioned in the Trustees' Annual Report.
<u>Volunteer Help</u> received is not included in the accounts, but is described in the Trustees' Annual Report
<u>Gift Aid</u> receivable is included in income when there is a valid declaration from the donor. Any Gift Aid received on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or terms of the appeal have specified otherwise.
(d) <u>Expenditure Recognition</u>
<u>Liabilities</u> are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.
<u>Support costs.</u> Office staff costs are the major component of Support Costs. As such Support Costs have been apportioned on a time spent basis. Where direct costs have arisen when staging events, these have been charged against the particular event.
<u>Governance Costs</u> comprise all costs involving public accountability of the charity and its compliance

	with regulation and good practice. Support costs have been allocated to Governance costs where applicable.
	<u>Deferred Income</u> arises from child sponsorships paid annually and apportioned on a monthly annual basis from the date of receipt. The deferred income is carried forward as a liability within Creditors on the balance sheet. See note 6.1.
(e)	<u>Assets</u>
	Tangible Fixed Assets are capitalised if they can be used for more than one year, and cost at least £1,500.
	They are valued at cost.
(f)	<u>Foreign Currencies</u>
	Transactions in currencies other than pounds are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.
	The company uses foreign currency forward contracts in order to mitigate the impact of exchange rate fluctuations. These contracts are recognised at fair value with gains and losses being included in net income or expenditure for the period.

NOTES TO THE ACCOUNTS

Note 2

Analysis of Income and Costs

FOR THE YEAR 1 JANUARY to 31 DECEMBER 2021

	Unrestricted funds income year to to 31/12/2022	Restrict ed income funds year to 31/12/22	Total funds for year to 31/12/20 22	Prior year 31/01/20 21 to 31/12/20 21
	£	£	£	£
Donations				
Child Sponsorships	165,596		165,596	169,155
Donations Received Directly	125,704	14,628	140,332	110,155
Gift Aid	39,007		39,007	37,812
Just Giving/Virgin Money	-	-	-	-
<i>Sub Total</i>	330,307	14,628	344,935	317,122
Grants from other Charitable Foundations	32,400	149,954	182,354	183,235
Total Income from Child Sponsorships and Donations	362,707	164,582	527,289	500,357
Office Support Costs			0	
Net Income from Child Sponsorships and Donations	362,707	164,582	527,289	500,357
Fund Raising Events				
Annual Ball	10,660	-	10,660	18,204
Golf Day	9,220	-	9,220	6,734
Lord's Lunch	46,393	-	46,393	46,353
World EFTC day	1,028	-	1,028	
Supper Club	-		-	4,458
Other (Community income, Christmas Campaign)	16,874	-	16,874	18,206
Total Income From Fund Raising Events	84,175	-	84,175	93,955
Direct Costs of Staging Events	(41,245)		(41,245)	(33,461)
Office Support Costs	(2,723)		(2,723)	(4,810)
Net Income From Fund Raising Events	40,207	0	40,207	55,684
Investment Income				
Interest		-	-	-
Total	-	-	-	-
Governance Costs				
Audit Fees			0	0
Trustees (Chairman) Air Fares to Guatemala	0		0	0
Total Governance Costs	0		0	0
N.B. Trustees are not re-imbursed for expenses, on travel to Guatemala.				
TOTAL INCOME	402,914	164,582	567,496	594,312

Note 2 continued
Analysis of Income
and Costs

FOR THE YEAR 1 JANUARY to 31 DECEMBER 2021

EXPENDED
ON:-

	Unrestricted funds income year to to 31/12/2022	Restrict ed income funds year to 31/12/22	Total funds for year to 31/12/202 2	Prior year 31/01/202 1 to 31/12/202 1
Office Support Costs	(131,570)	-	(131,570)	(101,721)
Adjusted: Support Costs are not charged to Restricted Funds	-	-	-	0
Total Governance Costs	0	0	0	0
Sub-Total of Support Costs	(131,570)	0	(131,570)	(101,721)
Education and Welfare provision in Guatemala	(283,767)	(157,134)	(440,901)	(472,153)
Net Movement in Funds (as per SoFA)	(12,423)	7,448	(4,975)	(17,833)

N.B. As most of the Office Support Costs are staff salaries, all support costs have been apportioned on an hours worked basis

NOTES TO THE ACCOUNTS

Note 3

STAFF COSTS and BENEFITS

3.1 Staff Costs

	1/1/2022 to 31/12/2022	1/1/2021 to 31/12/2021
	£	£
Salaries and wages	58,847	58,206
Social security costs	3,843	1,206
Pension costs (defined contribution scheme)	16,571	9,697
Other employee benefits	-	-
Total staff costs	79,261	69,109

3.2 There was no expenditure on staff working for the charity whose contracts are with and are paid by a related party

3.3 No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

3.4 Average headcount in the year |

2022	2021
Number	Number
3.0	3.3

3.5 The costs of the Defined Contribution Pension Scheme are included in Note 2's Support Costs and have been apportioned between activities on an hours worked basis. No pension costs have been allocated to restricted funds.

Notes to the accounts

Note 4

Grantmaking

4 Analysis of grants paid (included in cost of charitable activities)

Analysis	Grants to institutions 1/1/2022 to 31/12/2022 £	1/1/2021 to 31/12/2021 £
Funding for School and Family Welfare	440,901	472,153
Total	440,901	472,153

N.B *The charity does not identify and/or allocate support costs.*

Notes to the accounts
Notes 5, 6 and 7
Debtors and Creditors

5 Analysis of debtors

	£	£
Trade debtors	88,099	57,839
Prepayments and accrued income		
Other debtors	7,328	-
Total	95,427	57,839

6 Analysis of creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	This period £	Last year £	This period £	Last year £
Accruals for grants payable		-	-	-
Bank loans and overdrafts		-	-	-
Trade creditors	-	20,000	-	-
Payments received on account for contracts or performance-related grants	-	-	-	-
Accruals and deferred income	18,798	15,035	25,000	25,833
Taxation and social security			-	-
Other creditors	311	123		
Total	19,109	35,158	25,000	25,833

6.1 Deferred income

Some child sponsors pay annually and this apportioned on a monthly annual basis from the date of receipt. In addition one large donation was made to support a class over a three year period.

Movement in deferred income account

	This period £	Last year £
Balance at the start of the reporting period	40,868	36,687
Amounts added in current period	13,730	40,868
Amounts released to income from previous periods	(10,800)	(36,687)
Balance at the end of the reporting period	43,798	40,868

7 Cash at bank and in hand

	This period £	Last year £
Short term cash investments (less than 3 months maturity date)	-	-
Short term deposits	-	-
Cash at bank and on hand	74,788	134,320
Other	-	-
Total	74,788	134,320

Note 8
Charity Funds

8.1 Details of material funds held and movements during the CURRENT reporting period 1/1/2022 to 31/12/2022

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
			£	£	£	£	£	£
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	127,875	446,882	(459,305)	0	0	115,452
Foundation Scotland	Restricted			8,137	(8,137)	0	0	0
Foux Foundation	Restricted		1,991	13,378	(6,450)			8,919
SJP	Restricted			100,000	(100,000)			0
Tula Trust	Restricted			2,500	(2,500)			0
Austin Bailey	Restricted			1,000	-			1,000
The James Tudor Foundation	Restricted			5,939	(5,939)			0
The Paquita Filby Trust	Restricted			10,000	(10,000)			0
The Grace Trust	Restricted			1,000	(1,000)			0
Kate Farrer	Restricted			1,000	(1,000)			0
The Open Gate Trust	Restricted			2,500	(2,500)			0
pat newman memorial trust	Restricted			500	(500)			0
Souter	Restricted			4,000	(4,000)			0
Gifts from individuals and companies for specific projects at the school (bathrooms)	Restricted		293	6,568	(6,861)			0
Gifts from Child Sponsors	Restricted	Monetary gifts for the purchase of clothing, books, pay for health care, improve living conditions at home.	922	8,060	(8,247)	0		735
Total Funds			131,081	611,464	(616,439)	0	0	126,106

8.2 Details of material funds held and movements during the PREVIOUS reporting period 1/1/2021 to 31/12/2021

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
			£	£	£	£	£	£
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	130,173	426,280	(428,578)	-	-	127,875
Foux Foundation	Restricted			11,945	(9,954)			1,991
SJP	Restricted			10,000	(10,000)			0
Tula Trust	Restricted			2,000	(2,000)			0
Ashworth Charitable Trust	Restricted			4,290	(4,290)			0
Coles Medlock	Restricted			5,000	(5,000)			0
Evan Cornish Foundation	Restricted			10,000	(10,000)			0
Kate Farrer	Restricted			1,000	(1,000)			0
SJP	Restricted			100,000	(100,000)			0
UEFA			9,107	0	(9,107)			0
Restricted nutrition donations from individuals	Restricted	Restricted to nutrition and all other Covid-19 needs		15,337	(15,337)			0
Gifts from individuals and companies for specific projects at the school (bathrooms)	Restricted		8,219	8,460	(16,386)			293
Gifts from Child Sponsors	Restricted	Monetary gifts for the purchase of clothing, books, pay for health care, improve living conditions at home.	1,415	2,006	(2,499)	0		922
Total Funds			148,914	596,318	(614,151)	-	-	131,081

EDUCATION FOR THE CHILDREN FOUNDATION

England & Wales - Charity number 1099280

Accounts



EDUCATION FOR THE CHILDREN FOUNDATION

ANNUAL REPORT AND ACCOUNTS

YEAR ENDED 31ST DECEMBER 2021

Charity Registration Number 1099280

Principle and Registered Address:

52a Rectory Road, West Bridgford, Nottingham, Notts, NG2 6BU

Governance: The Charity is constituted under a trust deed dated 2nd October 2017.

Trustees who served during the year of 2021:

Michelle Aitken (Chair)
Matt Denman
Nimesh Kamath
Miranda Keast (retired in September 2021)
Sophie McKee
Dougal Powrie

Chief Executive: David McKee

The Board of Trustees meet regularly and twice a year, formally, to discuss policy, strategy and finances. In addition, trustees convene whenever the need arises to advise on matters of urgency. Decisions are made on a majority vote.

Risk Assessment

The risk register is continually updated and discussed at each meeting. The Trustees have assessed the major risks to which the charity is exposed and are satisfied that appropriate systems have been implemented to mitigate exposure to the major risks.

Bank:

Bank of Scotland plc
P.O. Box 1000
BX2 1LB

Independent Examiner:

Phil Glyn-Smith (FCA): Whiteacres, Cambridge Road, Whetstone,
Leicestershire, LE8 6ZG

This report covers Education for the Children Foundation's activities in the UK and Guatemala from 1st January 2021 to 31st December 2021. Education for the Children was formally established on 16 May 2003 and became a registered charity on 4 September 2003.

(Registered Charity number 1099280)

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Evaluating Pandemic Outcomes	7
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Chair's Commentary

2021 was expected to be a year of recovery from the pandemic but the effects of the ongoing disruption made this year as difficult as the year before. Despite many changes to the plans, both for the school and fundraising, the staff, students and families found ways of working around the closures and accommodating the restrictions. To quote our Project Director, Sara Miller 'Throughout 2021, our students, families, and staff grappled with loss: loss of structure, security, connection and advancement, loss of the sheer noise, beautiful chaos and energy of a school filled with 450 students.' However, 2021 became the year of 'can do' and the resilience shown was exceptional. This report highlights the successes that were achieved.

Having been working tirelessly with a remote model of teaching and students submitting packets of work at regular intervals, our school briefly opened for the students in May to accommodate them using outside spaces with a 'hybrid' home/school model. Sadly, only 3 weeks later, with rising Covid cases, the Ministry for Education ordered schools to close again. During 2020 and early 2021, generous donors had ensured that we had enough IT infrastructure and tablet/laptop donations that all of our staff and the majority of our Middle School students had access to virtual classes 3 days a week. The Primary School students completed the year through bimonthly work packets delivered by their parents, as well as watching videos made by teachers, sending in videos of their progress, and had access to teachers through WhatsApp groups in order to stay in contact.

Our Project Director, Sara Miller, once again led the team through difficult times, managing to keep spirits motivated, create a functioning team that supported each other and still offered the best education and social support possible in the circumstances.

In the UK, there were still limited fundraising activities but some key events were possible. A successful fundraiser held at Lords in the Long Room attracted new supporters to EFTC and with some creative thinking the fundraising income increased significantly. These supporters join the wider group of individual sponsors in the UK and Europe, corporate sponsors, trust funds and those who have continued to support us in a range of fundraising activities.. As both grant givers and our individual supporters suffered from the ongoing effects of lockdowns and economic decline, there was a slight drop in both these areas of funding.

Each type of supporter makes a big difference and we truly appreciate the contribution they make. Our regular sponsorship programme is crucial in ensuring sustainable funding and keeping these supporters engaged has again been a key focus in 2021.

Again, we drew on our volunteers to assist with our events and other business activities. These include Phil Glyn-Smith and Alison Hollett for their work on ensuring the accounts are filed on time. Our gratitude and thanks, once again, is extended to Castlegate Capital Ltd for providing us with heavily subsidised office space and continuing to cover office expenses even though it was hardly used in 2021. Without this support, EFTC would bear significant additional costs, enabling us to pass on more of our supporters' donations to the School of Hope. We also received a significant donation of laptops from Experian and St. James's Place which helped both our students and teachers during the period of hybrid teaching.

Our staff, students and families were faced with all manner of challenges throughout the year. What has emerged is a strength within the whole team and a continued ability to be flexible and agile which will stand us in good stead as we look forward to resuming our activity in 2022.

The effort that the staff put in to continue our work and to sustain the education of our students in some form is to be congratulated. Resilience and determination of the whole organisation has led to the results in this report. A report we are proud of in light of the challenging year.

Thank you

*Michelle Aitken
Chair of Trustees*

THE SCHOOL OF HOPE

EDUCATE, NURTURE, EMPOWER

OUR VISION

That young people from all backgrounds have the ability to access quality education and opportunities for rewarding employment.

VALUES

- Highly individualised approach
- Long-term commitment
- Holistic support
- Community centred

OUR MISSION

Driven by a commitment to equal opportunities, Education for the Children has worked with disadvantaged young people and families from the Jocotenango area since 2003 to access quality education, nutritious food, healthcare and social support. We aim to empower young people with the skills and confidence to be successful in their chosen careers.

DELIVERED THROUGH 4 PILLARS

- Education
- Nutrition
- Healthcare
- Social Support (incl. psychological support, housing, legal advice)

OUR IMPACT IN 2021

46 at risk students undertook educational 'bootcamps' to re-engage and motivate

All 700 students received comprehensive mental health screening and preventive programmes

466 students supported, with monthly food hampers

32 patients provided with life saving medicine and medical care 111 students studying at University

1 day a week in-person classes for all grades for 7 weeks at end of 2021

18 students supported with speech therapy

13 High School Graduations

352 tablets and laptops donated to get our junior high, high school, and university students successfully learning online

13 legal cases managed

Expansion of Special Education to 16 students

420 mental health screenings completed with Habilmind

131 families provided with water filters

48 hours of staff training on sexual reproductive health with partner WINGS

58 girls received the HPV vaccine

68 students received individual therapy sessions

5 University Graduations

600 dental hygiene kits distributed to students

94.4% High School Pass Rate

10 students diagnosed with longer term medical conditions

46 students supported with short term medical assistance

32 long term medical conditions managed

51 students referred for medical assistance

EVALUATING PANDEMIC OUTCOMES

Pass Rate

2018	2019	2020	2021
88.07%	91.36%	99.2%	94.9%

In 2021 we witnessed the devastating impact of the pandemic on education. The combination of increased family economic need and the challenges of learning remotely hit our students hard. Need for financial assistance, structure, progress and purpose caused many of our students to start work.

In a country where over 160,00 students have dropped out of school our retention and pass rates reflect the persistence, support, and creativity of our staff and the dedication of our students and their parents.



Retention Rate

2018	2019	2020	2021
97.2%	96.4%	98.9%	93.57%

For full details and impact of all of our programmes in 2021 please visit www.eftc.org.uk or contact us

SCHOOL OF HOPE STAFF

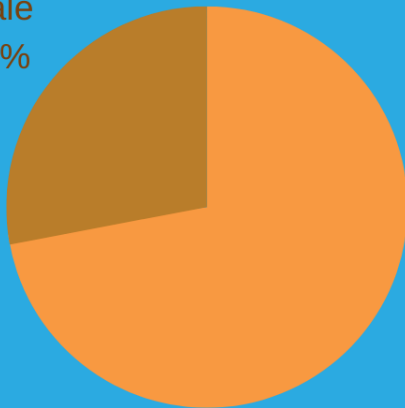


Number of full time staff:
52

Local composition of
Leadership Team: 73%

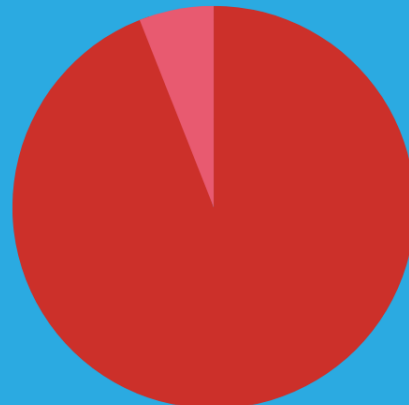
Female composition of
Leadership Team: 73%

Male
28%



Female
72%

Overseas staff
6%

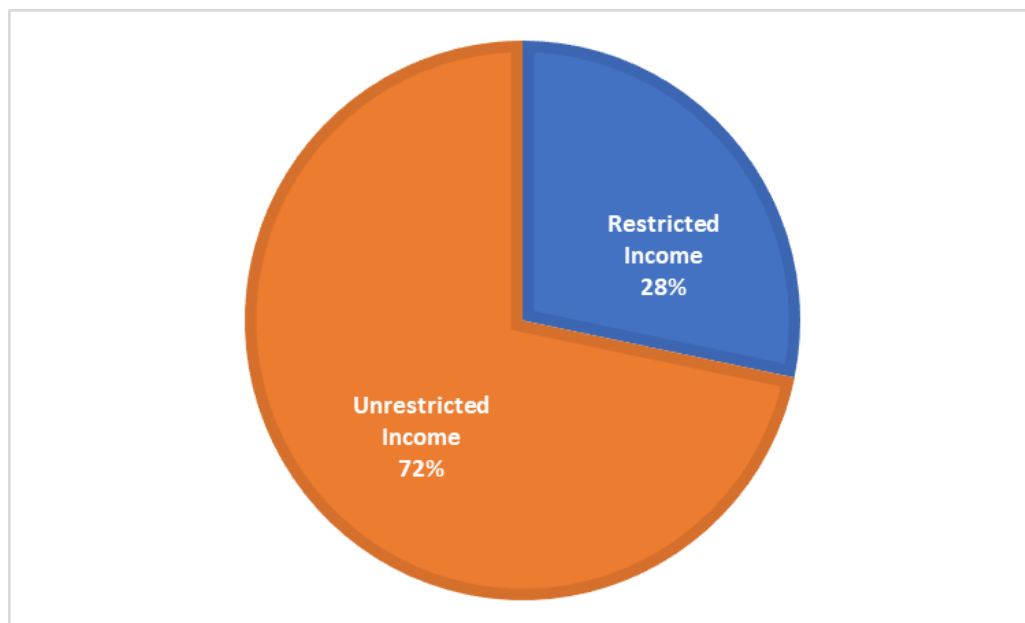


Guatemalan staff
94%

Financial Commentary

The accounting period runs from 1 January to 31 December to align with the Guatemalan school year.

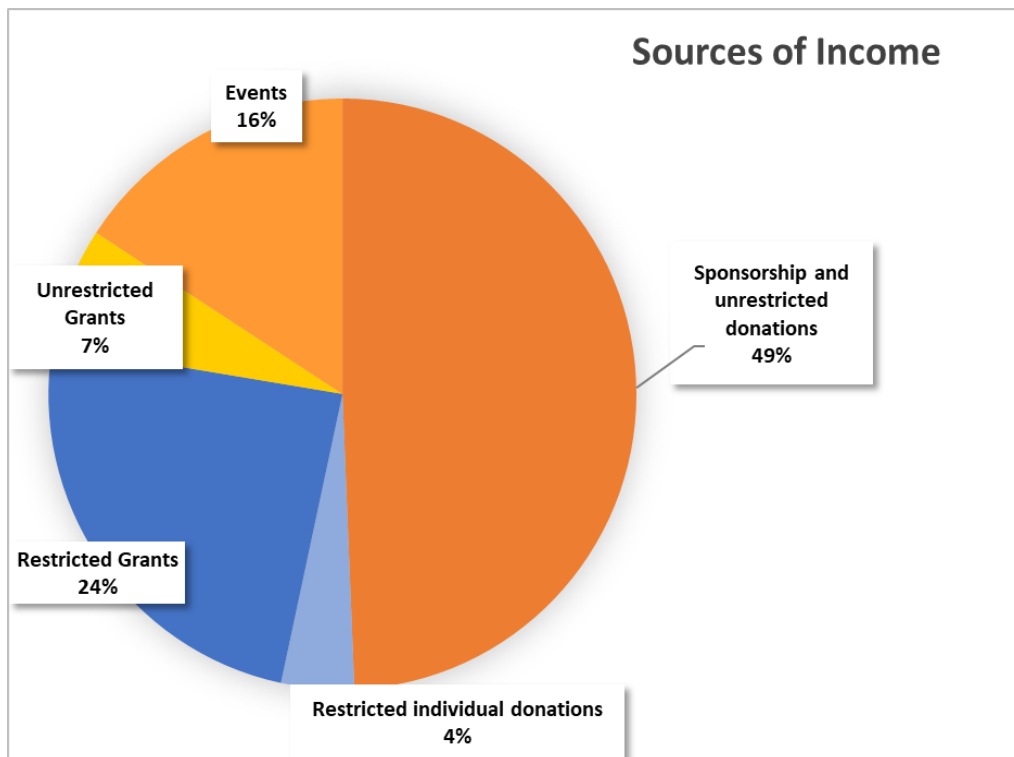
The total income raised was £594,312 of which of which £168,032 was restricted and £426,280 was unrestricted.



The main source of unrestricted income for Education for the Children is through the student sponsorship programme and personal donations, as well as some key corporate sponsors who together, in the accounting year to 31 December 2021, raised 69% of the total unrestricted income. Whilst the funds raised has dropped from the previous year due to individuals' own income being affected by the pandemic, we were able to continue our relationship with most of our sponsors, which has been really encouraging.

A further 7% of unrestricted income came from our charitable trusts and grant givers which was slightly lower than 2021 due to the size of grants being reduced. We successfully increased the event income in 2021 to 22%, which has been encouraging.

This income is supported by restricted funds which can be from individuals, corporations or charitable trust grants. Restricted funds were 28% of our total income in this year, which were specific donations from individuals and corporations, most notably the continued support from St. James's Place Foundation. St. James's Place Foundation continues to be a long term supporter of EFTC. They have provided funds for a number of initiatives at the school which have enabled us to embed various activities into our core service provision and help us to continue our work in the Further Education programme.



As with many of the charitable trusts, grant givers, corporate or Foundation supporters the ability to provide as generous support as in previous years has been difficult and we have seen a drop in the total amounts here too.

Our fundraising costs decreased again in 2021 by £10,055 demonstrating how we continued to adjust to the impact of the pandemic and how effective the fundraising team has become.

In 2021, the UK office was staffed by an equivalent of 3.3 full time positions by 5 staff members who adapted their work patterns to accommodate the unpredictable nature of the external environment.

Education for the Children took action again in 2021 to avoid currency fluctuations having an impact on finances in Guatemala by forward buying of the US dollar and setting the annual budget figures based on this rate.

The amount spent to support the education and welfare provision at the School of Hope was £472,153 of the total charity expenditure. The School too worked wherever possible to reduce the income needed to offer our provision to the students.

Education for the Children holds no investments in the charity name and makes no income from any endowment funds.

In the balance sheet at the current liabilities line, it can be seen that these are not actually liabilities but rather deferred income derived from sponsorship paid in advance, of £15,055 in 2022 and £25,833 in 2023 and is fully spendable by us as unrestricted sponsorship.

At the end of December 2021, reserves were £131,081 compared to £148,914 which were held on 31 December 2020.

Reserves Policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The Trustees consider that this level will provide sufficient funds to maintain our services and ensure that support and governance costs are covered. Clearly, this year has, again, been unprecedented and the reserves have fallen to under this level. We are confident that once there is more stability in the fundraising possibilities again, we can increase our reserves back to previous years' levels.

A subcommittee of Trustees continues to monitor financial planning, including currency and cash flow management.

Arrangements for Setting Pay and Remuneration

Pay and Remuneration is set by the Trustees in the UK and by the Foundation Director in Guatemala after guidelines issued by the Trustees.

INDEPENDENT EXAMINER'S REPORT

Report to the trustees of Education for the Children Foundation (Charity Reg No 1099280) on accounts for the year ended 31st December 2021.

Set out on pages: 13 -24

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 Trust's 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 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.



Name: Philip Anthony Glyn-Smith 26 August 2022
Relevant professional qualification(s) or body: FCA
Address: Whiteacres, Cambridge Road, Whetstone, Leicestershire, LE8 6ZG

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR 1 JANUARY 2021 to 31 DECEMBER 2021

Charity No. **1099280**

		Unrestricted Funds 1/1/2021 to 31/12/2021	Restricted Funds 1/1/2021 to 31/12/2021	Total Funds 1/1/2021 to 31/12/2021	Year to 31/12/20
	Notes	£	£	£	£
<u>Income from:</u>					
Child Sponsorships and Donations	2	293,325	23,797	317,122	326,184
Grants Received	2	39,000	144,235	183,235	209,372
Fund Raising Events	2	93,955	0	93,955	39,996
Bank Interest					-
Total Income		426,280	168,032	594,312	575,552
<u>Expended on:</u>					
Raising Funds	2,3	139,992		139,992	150,047
Education and Welfare Provision in Guatemala	4	288,586	183,567	472,153	499,201
		-		-	-
Total Expenditure		428,578	183,567	612,145	649,248
Net Movement in Funds		(2,298)	(15,535)	(17,833)	(73,696)
<u>Reconciliation of Funds:</u>					
Total Funds Brought Forward		130,173	18,741	148,914	222,610
Total Funds Carried Forward		127,875	3,206	131,081	148,914

Balance Sheet As At 31 December 2021

	Notes	As at 31/12/2021 £	As at 31/12/2020 £
Current assets			
Debtors	5	57,839	37,045
Cash at bank and in hand	7	134,320	150,854
Total current assets		192,159	187,899
Current Liabilities Due within one year	6	35,245	17,385
Net current assets/(liabilities)		156,914	170,514
Total assets less current liabilities		156,914	170,514
Current Liabilities Due after one year			
Deferred income - Annual Sponsorship received in advance to be paid to the school in future years	6	25,833	21,600
Total net assets or liabilities		131,081	148,914
<u>Funds of the Charity</u>	8		
Restricted income funds		3,206	18,741
Unrestricted funds		127,875	130,173
Total funds		131,081	148,914

Signed by one or two Trustees on behalf of all the Trustees



Print Name

Date

**Michelle
Aitken**

08.08.2022

STATEMENT OF CASH FLOWS

For Year 1 January 2021 to 31 December 2021

	Total Funds 2021 £	Prior Year 2020 £
Net Cash used in Operating Activities	(16,534)	(74,780)
<i>Cash Flows from Investing Activities</i>		
Interest and Dividends		
Net Cash Provided By Investing Activities		
Change in Cash and Cash Equivalents in the Year	(16,534)	(74,780)
Cash and Cash equivalents brought forward	150,854	225,634
Cash and Cash equivalents carried forward	134,320	150,854

Reconciliation of Net Movement in Funds to net cash flow from operating activities

	<u>31/12/2021</u> £	<u>31/12/2020</u> £
Net Movement in Funds	(17,833)	(73,696)
Deduct Interest shown in Investing Activities		
Decrease (increase) in Debtors	(20,794)	12,935
Increase (decrease) in Creditors	22,093	(14,019)
Net Cash Used in Operating Activities	(16,534)	(74,780)

Note 1
ACCOUNTING POLICIES
(a) <u>Basis of preparation and assessment of going concern</u>
The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.
The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.
(b) <u>Funds Structure</u>
<u>Restricted funds</u> are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is one permanent restricted fund held for monetary gifts from a child's sponsor for the purchase of clothing, additional books and studying material, health care and in some cases improvements to their living conditions at home. When large grants are received for a specific purpose a separate restricted fund is raised.
<u>Unrestricted income funds</u> comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.
(c) <u>Income Recognition</u>
<u>All income</u> is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
<u>Grants and Donations</u> that are subject to terms and conditions are treated as Deferred Income until it is probable that the terms and conditions can be met. If the conditions are not wholly within the control of the charity it will be disclosed as a contingent asset.
<u>Donated Services</u> provided by Castle Gate Capital Ltd to the Charity are not reasonably quantifiable, measurable or material, but the scope of the support is mentioned in the Trustees' Annual Report.
<u>Volunteer Help</u> received is not included in the accounts, but is described in the Trustees' Annual Report
<u>Gift Aid</u> receivable is included in income when there is a valid declaration from the donor. Any Gift Aid received on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or terms of the appeal have specified otherwise.
(d) <u>Expenditure Recognition</u>
<u>Liabilities</u> are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.
<u>Support costs.</u> Office staff costs are the major component of Support Costs. As such Support Costs have been apportioned on a time spent basis. Where direct costs have arisen when staging events, these have been charged against the particular event.
<u>Governance Costs</u> comprise all costs involving public accountability of the charity and its compliance

	with regulation and good practice. Support costs have been allocated to Governance costs where applicable.
	<u>Deferred Income</u> arises from child sponsorships paid annually and apportioned on a monthly annual basis from the date of receipt. The deferred income is carried forward as a liability within Creditors on the balance sheet. See note 6.1.
(e)	<u>Assets</u>
	Tangible Fixed Assets are capitalised if they can be used for more than one year, and cost at least £1,500.
	They are valued at cost.
(f)	<u>Foreign Currencies</u>
	Transactions in currencies other than pounds are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.
	The company uses foreign currency forward contracts in order to mitigate the impact of exchange rate fluctuations. These contracts are recognised at fair value with gains and losses being included in net income or expenditure for the period.

NOTES TO THE ACCOUNTS

Note 2

Analysis of Income and Costs

FOR THE YEAR 1 JANUARY to 31 DECEMBER 2021

	Unrestricted funds income year to to 31/12/2021	Restrict ed income funds year to 31/12/21	Total funds for year to 31/12/20 21	Prior year 31/01/20 20 to 31/12/20 20
	£	£	£	£
Donations				
Child Sponsorships	169,155		169,155	180,278
Donations Received Directly	86,358	23,797	110,155	105,161
Gift Aid	37,812		37,812	40,745
Just Giving/Virgin Money	-	-	-	
<i>Sub Total</i>	293,325	23,797	317,122	326,184
Grants from other Charitable Foundations	39,000	144,235	183,235	209,372
Total Income from Child Sponsorships and Donations	332,325	168,032	500,357	535,556
Office Support Costs			0	
Net Income from Child Sponsorships and Donations	332,325	168,032	500,357	535,556
Fund Raising Events				
Annual Ball	18,204	-	18,204	13,234
Golf Day	6,734	-	6,734	8,114
Lord's Lunch	46,353	-	46,353	-
World EFTC day			-	1,950
Supper Club	4,458		4,458	
Other (Community income, Christmas Campaign)	18,206	-	18,206	16,698
Total Income From Fund Raising Events	93,955	-	93,955	39,996
Direct Costs of Staging Events	(33,461)		(33,461)	(4,215)
Office Support Costs	(4,810)		(4,810)	(9,461)
Net Income From Fund Raising Events	55,684	0	55,684	26,320
Investment Income				
Interest		-	-	-
Total	-	-	-	-
Governance Costs				
Audit Fees			0	0
Trustees (Chairman) Air Fares to Guatemala	0		0	0
Total Governance Costs	0		0	0
N.B. Trustees are not re-imbursed for expenses, on travel to Guatemala.				
TOTAL INCOME	426,280	168,032	594,312	575,552

Note 2 continued
Analysis of Income
and Costs
FOR THE YEAR 1 JANUARY to 31 DECEMBER 2021

EXPENDED
ON:-

	Unrestricted funds income year to to 31/12/2021	Restrict ed income funds year to 31/12/21	Total funds for year to 31/12/202 1	Prior year 31/01/202 0 to 31/12/202 0
Office Support Costs	(81,394)	(20,327)	(101,721)	(136,371)
Adjusted: Support Costs are not charged to Restricted Funds	(20,327)	20,327	0	0
Total Governance Costs	0	0	0	0
Sub-Total of Support Costs	(101,721)	0	(101,721)	(136,371)
Education and Welfare provision in Guatemala	(288,586)	(183,567)	(472,153)	(499,201)
Net Movement in Funds (as per SoFA)	(2,298)	(15,535)	(17,833)	(73,696)

N.B. As most of the Office Support Costs are staff salaries, all support costs have been apportioned on an hours worked basis

NOTES TO THE ACCOUNTS

Note 3

STAFF COSTS and BENEFITS

3.1 Staff Costs

	1/1/2021 to 31/12/2021	1/1/2020 to 31/12/2020
	£	£
Salaries and wages	58,206	92,258
Social security costs	1,206	2,528
Pension costs (defined contribution scheme)	9,697	7,419
Other employee benefits	-	-
Total staff costs	69,109	102,205

3.2 There was no expenditure on staff working for the charity whose contracts are with and are paid by a related party

3.3 No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

3.4 Average head count in the year |

2021 Number	2020 Number
3.3	5

3.5 The costs of the Defined Contribution Pension Scheme are included in Note 2's Support Costs and have been apportioned between activities on an hours worked basis. No pension costs have been allocated to restricted funds.

Notes to the accounts

Note 4

Grantmaking

4 Analysis of grants paid (included in cost of charitable activities)

Analysis	Grants to institutions 1/1/2021 to 31/12/2021 £	1/1/2020 to 31/12/2020 £
Funding for School and Family Welfare	472,153	499,201
Total	472,153	499,201

N.B *The charity does not identify and/or allocate support costs.*

Notes to the accounts
Notes 5, 6 and 7
Debtors and Creditors

5 Analysis of debtors

	£	£
Trade debtors	57,839	37,045
Prepayments and accrued income	-	-
Other debtors	-	-
Total	57,839	37,045

6 Analysis of creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	This period £	Last year £	This period £	Last year £
Accruals for grants payable	-	-	-	-
Bank loans and overdrafts	-	-	-	-
Trade creditors	20,000	-	-	-
Payments received on account for contracts or performance-related grants	-	-	-	-
Accruals and deferred income	15,035	17,015	25,833	21,600
Taxation and social security	-	-	-	-
Other creditors	123	370	-	-
Total	35,158	17,385	25,833	21,600

6.1 Deferred income

Some child sponsors pay annually and this apportioned on a monthly annual basis from the date of receipt. In addition one large donation was made to support a class over a three year period.

Movement in deferred income account

	This period £	Last year £
Balance at the start of the reporting period	36,687	47,487
Amounts added in current period	40,868	36,687
Amounts released to income from previous periods	(36,687)	(47,487)
Balance at the end of the reporting period	40,868	36,687

7 Cash at bank and in hand

	This period £	Last year £
Short term cash investments (less than 3 months maturity date)	-	-
Short term deposits	-	-
Cash at bank and on hand	134,320	150,854
Other	-	-
Total	134,320	150,854

Note 8
Charity Funds

8.1 Details of material funds held and movements during the CURRENT reporting period 1/1/2021 to 31/12/2021

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
			£	£	£	£	£	£
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	130,173	426,280	(428,578)	0	0	127,875
							0	0
Foux Foundation	Restricted Core			11,945	(9,954)			1,991
SJP	Restricted Non Core			10,000	(10,000)			0
Tula Trust	Restricted Core			2,000	(2,000)			0
Ashworth Charitable Trust	Restricted Core			4,290	(4,290)			0
Coles Medlock	Restricted Core			5,000	(5,000)			0
Evan Cornish Foundation	Restricted Core			10,000	(10,000)			0
Kate Farrer	Restricted Core			1,000	(1,000)			0
SJP	Restricted Core			100,000	(100,000)			0
UEFA			9,107	0	(9,107)			0
								0
Restricted nutrition donations from individuals	Restricted	Restricted to nutrition and all other Covid-19 needs		15,337	(15,337)			0
Gifts from individuals and companies for specific projects at the school (bathrooms)	Restricted		8,219	8,460	(16,386)			293
Gifts from Child Sponsors	Restricted	Monetary gifts for the purchase of clothing, books, pay for health care, improve living conditions at home.	1,415	2,006	(2,499)	0		922
Total Funds			148,914	596,318	(614,151)	0	0	131,081

8.2 Details of material funds held and movements during the PREVIOUS reporting period 1/1/2020 to 31/12/2020

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
			£	£	£	£	£	£
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	221,773	379,439	(471,039)	-	-	130,173
SJP	Restricted	Higher Education Grant Instalment 2021		100,000	(100,000)	-	-	-
James Tudor Foundation	Restricted	School nurse & first aid supplies		£5,038.00	(5,038.00)			
The Grace Trust	Restricted	Bathroom Renovation		£750.00	(750.00)			
Foux Foundation	Restricted	Covid-19 Emergency food hampers		£15,000.00	(15,000.00)			
Randal Charitable Foundation	Restricted	Covid-19 Emergency food hampers		£24,000.00	(24,000.00)			
Brian Guinness Trust	Restricted	Covid-19 General Response		£2,000.00	(2,000.00)			-
The Paget Trust/JSHC Settlement	Restricted	Covid-19 General Response		£4,000.00	(4,000.00)			-
Kate Farrer Trust	Restricted	Love literacy		£1,000.00	(1,000.00)			-
The John and Susan Bower Trust Fund	Restricted	Nutrition		600.00	(600.00)			-
Souter Charitable Trust	Restricted	Healthcare		4,000.00	(4,000.00)			-
Uefa	Restricted	Repairs to the sports pitch roof [EUR10,000]		9,107.00				9,107
Restricted nutrition donations from individuals	Restricted	Restricted to nutrition and all other Covid-19 needs		15,220	(15,220)			
Gifts from individuals and companies for specific projects at the school (bathrooms)	Restricted			11,834	(3,615)			8,219
Gifts from Child Sponsors	Restricted	Monetary gifts for the purchase of clothing, books, pay for health care, improve living conditions at home.	837	3,564	(2,986)	-	-	1,415
Total Funds			222,610	575,552	(649,248)	-	-	148,914

EDUCATION FOR THE CHILDREN FOUNDATION

England & Wales - Charity number 1099280

Accounts



EDUCATION FOR THE CHILDREN FOUNDATION

ANNUAL ACCOUNTS

YEAR ENDED 31ST DECEMBER 2020

Charity Registration Number 1099280

Principle and Registered Address:

52a Rectory Road, West Bridgford, Nottingham, Notts, NG2 6BU

Governance: The Charity is constituted under a trust deed dated 2nd October 2017.

Trustees who served during the year of 2020:

Michelle Aitken (Chair)
Matt Denman
Nimesh Kamath
Miranda Keast
Sophie McKee
Dougal Powrie

Chief Executive: David McKee

The Board of Trustees meet regularly and twice a year, formally, to discuss policy, strategy and finances. In addition, trustees convene whenever the need arises to advise on matters of urgency. Decisions are made on a majority vote.

Risk Assessment

The risk register is continually updated and discussed at each meeting. The Trustees have assessed the major risks to which the charity is exposed and are satisfied that appropriate systems have been implemented to mitigate exposure to the major risks.

Bank:

Bank of Scotland plc
P.O. Box 1000
BX2 1LB

Independent Examiner:

Phil Glyn-Smith (FCA): Whiteacres, Cambridge Road, Whetstone,
Leicestershire, LE8 6ZG

This report covers Education for the Children Foundation's activities in the UK and Guatemala from 1st January 2020 to 31st December 2020. Education for the Children was formally established on 16 May 2003 and became a registered charity on 4 September 2003.
(Registered Charity number 1131489)

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Chair's Commentary

2020 was a year of enormous challenges worldwide, but the pandemic has particularly affected our staff, students and families in Guatemala. There was little that could have prepared them for the total closure of The School of Hope and the amount of time they were in lockdown.

Along with all other schools and further education programmes in Guatemala, The School of Hope shut down in March and did not reopen for the rest of 2020. The focus turned to homework packs which were distributed with the food parcels we arranged for our families. Limited online learning via smartphones and tablets was arranged where possible. Nutrition support was the cornerstone of our 2020 strategy as employment opportunities for our families ceased with the abrupt shutdown of the informal economy. Our social services team had to cope with increased need deriving from the pressures of lockdown and were at hand to provide care and support to students who were in difficulty.

It has certainly been a baptism of fire for our Project Director, Sara Miller as she led the team in her first full year in the role. Sara has supported, encouraged and motivated the staff in Guatemala to be creative, flexible and to seek solutions to continue to provide quality educational provision .

In the UK, there were fewer fundraising activities. Although with some creative thinking and a range of virtual events, we were still able to achieve some much needed funds. As events income dropped dramatically, we focused even more attention on grant applications and the whole UK team helped work on these, although these too were less generous than in previous years. However, a successful funding campaign for laptops and tablets here in the UK helped us enable all of our Middle School students to access virtual education.

Again, we drew on our volunteers to assist with our virtual events and other business activities. These include Phil Glyn-Smith and Alison Hollett for their work on ensuring the accounts are filed on time, Margaret Chadwick for regular support applying for grants, and other numerous volunteers providing vital support. Our gratitude and thanks, once again, is extended to Castlegate Capital LLP for providing us with heavily subsidised office space and continuing to cover office expenses even though it was hardly used in 2020. Without this support, EFTC would bear significant additional costs, enabling us to pass on more of our supporters' donations to the School of Hope.

These supporters join the wider group of individual sponsors in the UK and Europe, corporate sponsors, trust funds and those who put on virtual events to help us raise our funds. Each type of supporter makes a big difference and we truly appreciate the contribution they make. Our regular sponsorship programme is crucial in ensuring sustainable funding and maintaining this has been a particular focus in 2020.

Whilst there was a drop in sponsorship and general donations as sponsors and supporters also felt the squeeze on their own income, we are grateful to those who were able to continue to support us and those who stepped in to support a Covid campaign. It will, no doubt, continue into 2021 as the effects of the pandemic become visible.

Our staff, students and families were faced with all manner of challenges throughout the year. What has emerged is a resilience and an ability to be flexible and agile which will stand us in good stead as we enter into 2021 still facing uncertainty.

The effort that the staff put in to continue our work and to sustain the education of our students in some form, was, and continues to be, momentous. This resilience and dedication seen throughout the organisation led to the results in this report. A report we are proud of in light of the difficult year.

Thank you

*Michelle Aitken
Chair of Trustees*

THE SCHOOL OF HOPE

EDUCATE, NURTURE, EMPOWER

OUR VISION

That young people from all backgrounds have the ability to access quality education and opportunities for rewarding employment.

VALUES

- Highly individualised approach
 - Long-term commitment
 - Holistic support
 - Community centred
-

OUR MISSION

Driven by a commitment to equal opportunities, Education for the Children has worked with disadvantaged young people and families from the Jocotenango area since 2003 to access quality education, nutritious food, healthcare and social support. We aim to empower young people with the skills and confidence to be successful in their chosen careers.

DELIVERED THROUGH 4 PILLARS

- Education
- Nutrition
- Healthcare
- Social Support (incl. psychological support, housing, legal advice)

OUR IMPACT IN 2020



HEALTHCARE

- 51 students referred for medical assistance
- 58 girls received the HPV vaccine
- 29 students diagnosed with longer term medical conditions



SOCIAL SUPPORT

- 43 students received in-person psychological sessions
- 14 legal cases managed
- From March: services expanded for staff and parents:
 - 1000's of phone calls to survey families and manage distress and impact of pandemic
 - 500 toys collected - distributed to students at Christmas



EDUCATION

- 700 students in education
- 98% retention rate (School of Hope)
- 93 High School Graduations
- 88% High School Retention & Graduation Rate
- 92% High School Pass Rate
- 98 Students Studying at University
- 2 University Graduations



NUTRITION

- 4,249 hampers were distributed from Mar-Dec
- Ensured 385 families had enough to eat



SCHOOL OF HOPE STAFF



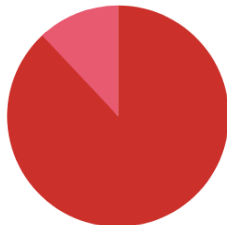
Number of staff: 58

Part-Time Staff: 2 Full-Time Staff: 56

Local composition of Leadership Team: 75%

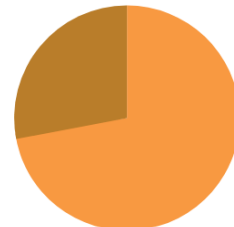
Female composition of Leadership Team: 75%

Overseas staff
12%



Guatemalan staff
88%

Male
28%



Female
72%

NUTRITION TOOK ON NEW MEANING IN 2020



4,249 hampers were distributed to over 385 families from March to December

hampers were packed with staples including rice, beans, and fortified cereal and preventative health supplies bleach, soap, and hand sanitizer.

They were a crucial source of support for our families, who were deeply affected by the economic impact of the pandemic across the community.

A huge team effort enabled this mammoth monthly task. For many months this was the only time we had in-person contact with our families, so they were the most hectic and important days of the month.

In May 89.7% of our population reported that they could not feed their families without our help

By the end of 2020, there was still a large amount of food insecurity with 49.7% reporting that 1 to 2 times a week they did not have anything for their children to eat.

SOCIAL SUPPORT 2020



In-person initiatives - January - March:

- "Restorative Junior High" trust circles to reconcile differences
- Positive discipline workshops facilitated for parents, teachers and staff
- 43 students received in-person psychological sessions - without daily interaction with students, referrals and reports of violence plummeted.

March onwards: services expanded to include staff and parents:

Aracely, Social Support Director and Michelle, Psychologist organized:

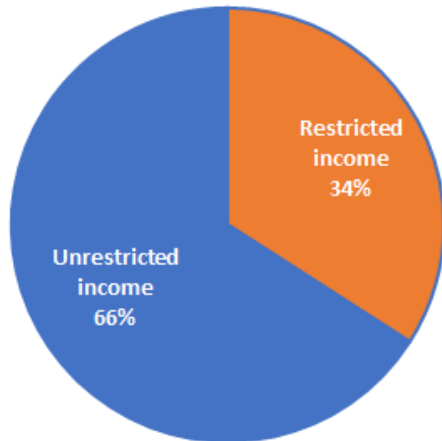
- Staff - virtual trust circles for staff - alleviate stress and fear
- Students & parents - preventative campaigns - positive dialogue, emotional regulation via homework swaps and online sessions
- 47 parents participated proactively via WhatsApp groups - strategies and techniques to address fears, positive discipline and coping strategies
- Family phone surveys to assess mental health and enable reporting of violence, abuse and negligence
- 314 telephone psychology sessions completed - from September to November
- 14 legal cases managed
- Over 500 toys collected which were distributed to students with Christmas hampers.

For full details and impact of all of our programmes in 2020 please visit
<https://www.eftc.org.uk/en/about-us/annual-reports/annual-report-2020>

Financial Commentary

The accounting period runs from 1 January to 31 December to align with the Guatemalan school year.

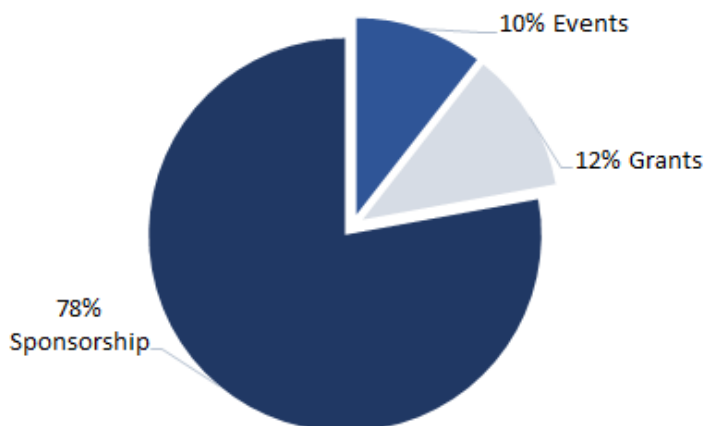
The total income raised was £575,552 of which £196,113 was restricted and £379,439 was unrestricted.



The main source of unrestricted income for Education for the Children is through the student sponsorship programme and personal donations, as well as some key corporate sponsors who together, in the accounting year to 31 December 2020, raised 78% of the total unrestricted income. Whilst the funds raised has dropped from the previous year due to individuals' own income being affected by the pandemic, we were able to continue our relationship with most of our sponsors, which has been really encouraging.

A further 12% of unrestricted income came from our charitable trusts and grant givers. We received the remaining 10% from fundraising events.

Sources of Unrestricted Income



This income is supported by restricted funds which can be from individuals, corporations or charitable trust grants. Restricted funds were 34.07% of our total income in this year, which were specific donations from individuals and corporations, most notably the continued support from St. James's

Place Foundation. St. James's Place Foundation continues to be a long term supporter of EFTC. They have provided funds for a number of initiatives at the school which have enabled us to embed various activities into our core service provision and help us to continue our work in the Further Education programme.

As with many of the charitable trusts, grant givers, corporate or Foundation supporters the ability to provide as generous support as in previous years has been difficult and we have seen a drop in the total amounts here too.

Our fundraising costs decreased by 25.5% to £150,047 in 2020 which demonstrates how we quickly adjusted to the impact of the pandemic and were able to reduce our spend by £51,375.

In 2020, the UK office was staffed by 1 full time and 4 part time employees who each supported the drive to reduce costs by offering flexible solutions to their work situation.

Education for the Children took action again in 2020 to avoid currency fluctuations having an impact on finances in Guatemala by forward buying of the US dollar and setting the annual budget figures based on this rate.

The amount spent to support the education and welfare provision at the School of Hope was £499,201 of the total charity expenditure. The School too worked wherever possible to reduce the income needed to offer our provision to the students.

Education for the Children holds no investments in the charity name and makes no income from any endowment funds.

In the balance sheet at the current liabilities line, it can be seen that these are not actually liabilities but rather deferred income derived from sponsorship paid in advance, of £17,385 in 2021 and £21,600 in 2022 and is fully spendable by us as unrestricted sponsorship.

At the end of December 2020, reserves were £148,914 compared to £222,610 which were held on 31 December 2019.

Reserves Policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The Trustees consider that this level will provide sufficient funds to maintain our services and ensure that support and governance costs are covered. Clearly, this year has been unprecedented and the reserves have fallen to under this level. We are confident that once there is more stability in the fundraising possibilities again, we can increase our reserves back to previous years' levels.

A subcommittee of Trustees has been set up to monitor financial planning, including currency and cash flow management.

Arrangements for Setting Pay and Remuneration

Pay and Remuneration is set by the Trustees in the UK and by the Foundation Director in Guatemala after guidelines issued by the Trustees.

INDEPENDENT EXAMINER'S REPORT

Report to the trustees of Education for the Children Foundation (Charity Reg No 1099280) on my examination of the accounts for the year ended 31st December 2020.

Set out on pages: 13 - 25

Responsibilities and basis of report


As the charity's trustees, 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 Trust's 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 Act.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales. 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.



8th September 2021

Name: Philip Anthony Glyn-Smith

Relevant professional qualification(s) or body: FCA

Address: Whiteacres, Cambridge Road, Whetstone, Leicestershire, LE8 6ZG



THE EDUCATION FOR THE CHILDREN FOUNDATION

Supporting the Fundacion Educando a los Ninos in Guatemala

FINANCIAL STATEMENTS

FOR THE YEAR TO 31ST DECEMBER 2020


STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR 1 JANUARY 2020 to 31 DECEMBER 2020

Charity No. **1099280**

	Notes	Unrestricted Funds 1/1/2020 to 31/12/2020 £	Restricted Funds 1/1/2020 to 31/12/2020 £	Total Funds 1/1/2020 to 31/12/2020 £	Year to 31/12/19 £
<u>Income from:</u>					
Child Sponsorships and Donations	2	295,566	30,618	326,184	377,863
Grants Received	2	43,877	165,495	209,372	242,595
Fund Raising Events	2	39,996	0	39,996	80,801
Bank Interest				0.0	-
Other				- 0	- -
Total Income		379,439	196,113	575,552	701,259
<u>Expended on:</u>					
Raising Funds	2,3	150,047		150,047	201,422
Education and Welfare Provision in Guatemala	4	320,992	178,209	499,201	539,913
Total Expenditure		471,039	178,209	649,248	741,335
Net Movement in Funds		(91,600)	17,904	(73,696)	(40,076)
<u>Reconciliation of Funds:</u>					
Total Funds Brought Forward		221,773	837	222,610	262,686
Total Funds Carried Forward		130,173	18,741	148,914	222,610

Balance Sheet As At 31 December 2020

	Notes	As at 31/12/2020 £	As at 31/12/2019 £
<u>Current assets</u>			
Debtors	5	37,045	49,980
Cash at bank and in hand	7	150,854	225,634
Total current assets		187,899	275,614
Current Liabilities Due within one year			
Deferred income - Annual Sponsorship received in advance	6	17,385	20,604
Net current assets/(liabilities)		170,514	255,010
Total assets less current liabilities		170,514	255,010
Current Liabilities Due after one year			
Deferred income - Annual Sponsorship received in advance to be paid to the school in future years	6	21,600	32,400
Total net assets or liabilities		148,914	222,610
<u>Funds of the Charity</u>			
Restricted income funds	8	18,741	837
Unrestricted funds		130,173	221,773
Total funds		148,914	222,610
Signed by one or two Trustees on behalf of all the Trustees		Print Name	<u>Date</u>
		Michelle Aitken	08.09.2021

STATEMENT OF CASH FLOWS

For Year 1 January 2020 to 31 December 2020

	Total Funds 2020 £	Prior Year 2019 £
Net Cash used in Operating Activities	(74,780)	54,761
<i><u>Cash Flows from Investing Activities</u></i>		
Interest and Dividends		
Net Cash Provided By Investing Activities		
Change in Cash and Cash Equivalents in the Year	(74,780)	54,761
Cash and Cash equivalents brought forward	225,634	170,873
Cash and Cash equivalents carried forward	150,854	225,634

Reconciliation of Net Movement in Funds to net cash flow from operating activities

	<u>31/12/2020</u> £	<u>31/12/2019</u> £
Net Movement in Funds	(73,696)	(40,076)
Deduct Interest shown in Investing Activities		
Decrease (increase) in Debtors	12,935	121,125
Increase (decrease) in Creditors	(14,019)	(26,288)
Net Cash Used in Operating Activities	(74,780)	54,761

Note 1
ACCOUNTING POLICIES
(a) Basis of preparation and assessment of going concern
The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.
The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.
(b) Funds Structure
<u>Restricted funds</u> are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is one permanent restricted fund held for monetary gifts from a child's sponsor for the purchase of clothing, additional books and studying material, health care and in some cases improvements to their living conditions at home. When large grants are received for a specific purpose a separate restricted fund is raised.
<u>Unrestricted income funds</u> comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.
(c) Income Recognition
<u>All income</u> is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
<u>Grants and Donations</u> that are subject to terms and conditions are treated as Deferred Income until it is probable that the terms and conditions can be met. If the conditions are not wholly within the control of the charity it will be disclosed as a contingent asset.
<u>Donated Services</u> provided by Castle Gate Capital LLP to the Charity are not reasonably quantifiable, measurable or material, but the scope of the support is mentioned in the Trustees' Annual Report.
<u>Volunteer Help</u> received is not included in the accounts, but is described in the Trustees' Annual Report
<u>Gift Aid</u> receivable is included in income when there is a valid declaration from the donor. Any Gift Aid received on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or terms of the appeal have specified otherwise.
(d) Expenditure Recognition
<u>Liabilities</u> are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.
<u>Support costs. Office staff costs are the major component of Support Costs. As such Support Costs have been apportioned on a time spent basis. Where direct costs have arisen when staging events, these have been charged against the particular event.</u>
<u>Governance Costs</u> comprise all costs involving public accountability of the charity and its compliance

	with regulation and good practice. Support costs have been allocated to Governance costs where applicable.
	<u>Deferred Income</u> arises from child sponsorships paid annually and apportioned on a monthly annual basis from the date of receipt. The deferred income is carried forward as a liability within Creditors on the balance sheet. See note 6.1.
(e)	<u>Assets</u>
	Tangible Fixed Assets are capitalised if they can be used for more than one year, and cost at least £1,500.
	They are valued at cost.
(f)	<u>Foreign Currencies</u>
	Transactions in currencies other than pounds are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.
	The company uses foreign currency forward contracts in order to mitigate the impact of exchange rate fluctuations. These contracts are recognised at fair value with gains and losses being included in net income or expenditure for the period.

NOTES TO THE ACCOUNTS

Note 2

Analysis of income and Costs

FOR THE YEAR 1 JANUARY to 31 DECEMBER 2020

		Unrestricted funds income year to to 31/12/2020	Restricted income funds year to 31/12/20	Total funds for year to 31/12/2020	Prior year 31/01/2019 to 31/12/2019
	Analysis	£	£	£	£
Donations	Child Sponsorships	180,278		180,278	176,348
	Donations Received Directly	74,543	30,618	105,161	160,203
	Gift Aid	40,745		40,745	41,312
	Just Giving/Virgin Money	-	-	-	
	Sub Total	295,566	30,618	326,184	377,863
	Grants from other Charitable Foundations	43,877	165,495	209,372	242,595
	Other	-		-	
	Total Income from Child Sponsorships and Donations	339,443	196,113	535,556	620,458
	Office Support Costs			0	(144,967)
	Net Income from Child Sponsorships and Donations	339,443	196,113	535,556	475,491
Fund Raising Events	Virtual Ball	13,234		13,234	24,237
	Golf Day	8,114		8,114	13,040
	Grandish Tour				-
	Music Festivals				2,018
	World EFTC day (Donate your Dinner)	1,950		1,950	4,051
	Event Ball (SJP Ball cancelled)				25,444
	Other (Community income, Christmas Campaign)	16,698		16,698	12,011
	Total Income From Fund Raising Events	39,996	-	39,996	80,801
	Direct Costs of Staging Events	(4,215)		(4,215)	(30,874)
	Office Support Costs	(9,461)		(9,461)	(25,582)
	Net Income From Fund Raising Events	26,320	0	26,320	24,345
Investment Income	Interest				
	Total	-	-	-	-
Governance Costs	Audit Fees			0	0
	Trustees (Chairman) Air Fares to Guatemala	0		0	0
	Total Governance Costs	0		0	0

N.B. Trustees are not reimbursed for expenses, on travel to Guatemala.

TOTAL INCOME	379,439	196,113	575,552	701,259
EXPENDED ON:-				
Direct Costs of Staging Events			0	(30,874)
Office Support Costs	(120,603)	(15,768)	(136,371)	(170,548)
Adjusted: Support Costs are not charged to Restricted Funds	(15,768)	15,768	0	0
Total Governance Costs	0		0	0
Sub-Total of Costs	(136,371)	0	(136,371)	(201,422)
Education and Welfare provision in Guatemala	(320,992)	(178,209)	(499,201)	(539,913)
Net Movement in Funds (as per SoFA)	(91,600)	17,904	(73,696)	(40,076)

N.B. As most of the Office Support Costs are staff salaries, all support costs have been apportioned on an hours worked basis.
From 2019 onwards the Justgiving/Virgin Money funds have been reallocated to the relevant sources of income and this line will be removed in future financial statements.

NOTES TO THE ACCOUNTS

Note 3

STAFF COSTS and BENEFITS

3.1 Staff Costs

	1/1/2020 to 31/12/2020	1/1/2019 to 31/12/2019
	£	£
Salaries and wages	92,258	103,476
Social security costs	2,528	4,084
Pension costs (defined contribution scheme)	7,419	27,992
Other employee benefits	-	-
Total staff costs	102,205	135,552

3.2 There was no expenditure on staff working for the charity whose contracts are with and are paid by a related party

3.3 No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

3.4 Average head count in the year |

2020 Number	2019 Number
5	4.3

3.5 The costs of the Defined Contribution Pension Scheme are included in Note 2's Support Costs and have been apportioned between activities on an hours worked basis. No pension costs have been allocated to restricted funds.

Notes to the accounts

Note 4

Grantmaking

4 Analysis of grants paid (included in cost of charitable activities)

Analysis	Grants to institutions 1/1/2020 to 31/12/2020 £	1/1/2019 to 31/12/2019 £
Funding for School and Family Welfare	499,201	539,913
Total	499,201	539,913

N.B *The charity does not identify and/or allocate support costs.*

Notes to the accounts
Notes 5, 6 and 7
Debtors and Creditors

5 Analysis of debtors

	£	£
Trade debtors	37,045	49,980
Prepayments and accrued income	-	-
Other debtors	-	-
Total	37,045	49,980.0

6 Analysis of creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	This period £	Last year £	This period £	Last year £
Accruals for grants payable	-	-	-	-
Bank loans and overdrafts	-	-	-	-
Trade creditors	-	-	-	-
Payments received on account for contracts or performance-related grants	-	-	-	-
Accruals and deferred income	17,015	16,804	21,600	32,400
Taxation and social security	-	1,184	-	-
Other creditors	370	2,616	-	-
Total	17,385	20,604	21,600	32,400

6.1 Deferred income

Some child sponsors pay annually and this apportioned on a monthly annual basis from the date of receipt. In addition one large donation was made to support a class over a three year period.

Movement in deferred income account

	This period £	Last year £
Balance at the start of the reporting period	47,487	77,085
Amounts added in current period	36,687	47,487
Amounts released to income from previous periods	(47,487)	(77,085)
Balance at the end of the reporting period	36,687	47,487

7 Cash at bank and in hand

	This period £	Last year £
Short term cash investments (less than 3 months maturity date)	-	-
Short term deposits	-	-
Cash at bank and on hand	150,854	225,634
Other	-	-
Total	150,854	225,634

Note 8
Charity Funds

8.1 Details of material funds held and movements during the CURRENT reporting period 1/1/2020 to 31/12/2020

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
			£	£	£	£	£	£
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	221,773	379,439	(471,039)	-	-	130,173
SJP	Restricted	Higher Education Grant Instalment 2021		100,000	(100,000)	-	-	-
James Tudor Foundation	Restricted	School nurse & first aid supplies		5,038	(5,038)			
The Grace Trust	Restricted	Bathroom Renovation		750	(750)			
Foux Foundation	Restricted	Covid-19 Emergency food hampers		15,000	(15,000)			
Randal Charitable Foundation	Restricted	Covid-19 Emergency food hampers		24,000	(24,000)			
Brian Guinness Trust	Restricted	Covid-19 General Response		2,000	(2,000)			-
The Paget Trust/JSHC Settlement	Restricted	Covid-19 General Response		4,000	(4,000)			-
Kate Farrer Trust	Restricted	Love literacy		1,000	(1,000)			-
The John and Susan Bower Trust Fund	Restricted	Nutrition		600	(600)			-
Souter Charitable Trust	Restricted	Healthcare		4,000	(4,000)			-
Uefa	Restricted	Repairs to the sports pitch roof [EUR10,000]		9,107				9,107
Restricted nutrition donations from individuals	Restricted	Restricted to nutrition and all other Covid-19 needs		15,220	(15,220)			
Gifts from individuals and companies for specific projects at the school (bathrooms)	Restricted			11,834	(3,615)			8,219
Gifts from Child Sponsors	Restricted	Monetary gifts for the purchase of clothing, books, pay for health care, improve living conditions at home.	837	3,564	(2,986)	-	-	1,415

Total Funds	222,610	575,552	(649,248)	-	-	148,914
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8.2 Details of material funds held and movements during the PREVIOUS reporting period 1/1/2019 to 31/12/2019

Fund names	Type of Fund	Purpose and Restrictions	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
Unrestricted Fund	Unrestricted	Main Fund for providing Welfare	262,533	524,131	(564,891)	-	-	221,773
								-
Other Trusts	Restricted	Tech for tomorrow		10,000	(10,000)			-
SJP	Restricted			146,278	(146,278)	-	-	-
Gifts from individuals and companies for specific projects at the school (bathrooms)	Restricted			7,845	(7,845)			
Gifts from Child Sponsors	Restricted	Monetary gifts for the purchase of clothing, books, pay for health care, improve living conditions at home.	153	4,972	(4,288)	-	-	837
					(733,302.00)			
Total Funds			262,686	693,226		-	-	222,610

