

David Rattray Foundation

England & Wales · Charity number 1119353

Details

Other names	DAVID RATTRAY MEMORIAL TRUST, DAVID RATTRAY MEMORIAL TRUST (UK)
Status	Registered
Legal form	Trust
Registered	2007-05-23
Register	View on the Charity Commission register

Contact

Address	Little Brambles Chapel Road Longham Dereham Norfolk NR19 2AJ
Phone	+44 7808 090710
Email	ukteam@khula.org.uk
Website	www.khula-education.org

Activities

Objects: 1) TO ADVANCE EDUCATION AND RAISE AWARENESS ABOUT DIFFERENT RACIAL GROUPS IN ORDER TO PROMOTE GOOD RELATIONS BETWEEN PERSONS OF DIFFERENT RACIAL GROUPS BY PROMOTING KNOWLEDGE AND MUTUAL UNDERSTANDING WITH PARTICULAR REFERENCE TO SOUTH AFRICA AND ITS HISTORICAL CONTEXT;2) TO ADVANCE THE EDUCATION OF 16 - 21 YEAR OLDS IN THE UNITED KINGDOM IN THE SUBJECT OF RACIAL RECONCILIATION WITH PARTICULAR REFERENCE TO SOUTH AFRICA AND ITS HISTORICAL CONTEXT;3) TO PROMOTE SUSTAINABLE DEVELOPMENT FOR THE BENEFIT OF THE PUBLIC BY A) THE PRESERVATION, CONSERVATION AND PROTECTION OF THE ENVIRONMENT AND THE PRUDENT USE OF RESOURCES IN SOUTHERN AFRICA AND B) THE RELIEF OF POVERTY AND THE IMPROVEMENT OF THE CONDITIONS OF LIFE IN SOCIALLY DISADVANTAGED COMMUNITIES IN SOUTHERN AFRICA PARTICULARLY IN THE AREAS OF EDUCATION AND HEALTH.

Activities: To support the development work of the David Rattray Foundation in South Africa and such other activities consistent with the objectives as the trustees may determine.

Classification

- **How:** Makes Grants To Organisations, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity, Other Charitable Purposes
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** NOT DEFINED IN PRACTICE NATIONAL AND OVERSEAS.
- Northern Ireland
- Scotland
- South Africa
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£383,124	£405,060	-	-
2024-04-05	£391,198	£468,791	-	-
2023-04-05	£161,963	£487,586	-	-
2022-04-05	£915,280	£387,876	£634,088	1
2021-04-05	£217,723	£283,784	-	-

Trustees

Name	Role	Appointed
Gail Klintworth		2018-01-30
Henrietta Loyd		2017-09-20
Jamille Jinnah		2025-01-18
Lindsay Bridges		2021-02-26
Matthew Kentridge		2021-02-26
Micko O'Byrne		2021-02-26
Paul Hollingum		2020-01-21
Thomas Keppel O'Malley		

David Rattray Foundation

England & Wales - Charity number 1119353

Accounts

Charity Registered number
1119353

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Trustees' Report and Audited Financial Statements

for the year ended

5 April 2025

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)
Report and accounts
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DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)
Legal and Administrative Information

Trustees

L Bridges
P Hollingum
J Jinnah (appointed on 18 January 2025)
M Kentridge
G Klintworth
H Loyd
F Mererwitz Singh
R Neville
M O'Byrne
T O'Malley
R Woodhead (Chair)
S Pfeil (appointed on 25 June 2024 and resigned on 25th February 2025)

Charity number

1119353

Auditors

SKS Audit LLP
Chartered Accountants
3 Sheen Road
Richmond
TW9 1AD

Bankers

HSBC Bank plc
The Peak
333 Vauxhall Bridge Road
London
SW1V 1RJ

Principal address

26 Gosfield Street
London
W1W 6HH

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)
TRUSTEES' REPORT
for the year ended 5 April 2025

The Trustees present their report and financial statements for the year ended 5 April 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019)'.

Objectives and activities

The David Rattray Foundation, operating locally as KHULA Education, was established in 2007. Honouring David Rattray's legacy, KHULA Education is deeply committed to improving the quality of education in the KwaZulu-Natal region of South Africa and mobilising education as a pathway to community empowerment and alleviating poverty in one of the most marginalised areas of South Africa.

Our Vision

That all children, regardless of their socio-economic, cultural background or location are able to reach their potential and make a difference to their families and communities.

Our Mission

Our mission is to enable children from under-served, rural communities in South Africa to obtain a high-quality education to improve their own lives and those of their communities.

Our Goals

As KHULA has expanded both its footprint and work, we have aligned our agenda to Sustainable Development Goal (SDG) 4: *to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*. Our primary goals are:

1. Give children the chance to lift themselves out of their extremely disadvantaged background by working to improve educational facilities, standard and care for children.
2. Support the development of children by ensuring that they are not just educated sufficiently to pass a set of exams, but also effectively prepared for their adult lives. We believe that through improving their educational attainment, each child will be in a better position to improve their own life, achieve better standards of health, secure more satisfactory employment, and contribute more meaningfully to the life of their family, village, society and country.

Our Approach

Our current area of support is in the remote uMzinyathi district of rural KwaZulu-Natal. Our work is in collaboration with our sister organisation, the David Rattray Foundation in South Africa, under the shared identity of KHULA Education.

Our activities span the historic battlefields of rural KwaZulu-Natal from Elandskraal, through Rorke's Drift to Nqutu and Isandlwana, some of the most isolated and marginalised areas in South Africa. This is a region of outstanding beauty and dramatic history, but these elements alone are no substitute for education.

In total, we support 22 under-resourced, local schools to address key educational needs and achieve a measurable uplift in education levels and post-school employment. Through these schools our work impacts 6,500 students and more than 300 teachers.

Safeguarding

Safeguarding of children in the supported schools is our highest priority. Prior to onboarding, all staff of the David Rattray Foundation in South Africa are required to obtain a Sexual Offenders Register Clearance Certificate. In addition, all staff, volunteers and partners in South Africa are required to sign a 'Personal Commitment to Child Protection' form. A Child Protection Policy has been implemented in all schools, and all staff have been trained accordingly, with refresher training delivered each year. Safeguarding incidents are rare and dealt with in accordance with local child protection and labour law.

We also have a qualified Educational Psychologist on the staff. This person is instrumental in providing support, guidance and relevant materials for teachers to support any child who may require remedial support and/or counselling. It is noteworthy that with this intervention, children who were previously considered by the schools to potentially have learning disabilities, were in fact often those who had simply struggled with the lack of individual attention in large classes. Our top-up teaching and remedial support has made a significant impact with such children, including the provision of smaller support classes and KHULA's dedicated remediation spaces.

Our Strategy and Programmes

KHULA Education is committed to tackling systemic rural inequality by supporting children and young people from preschool through to employment. We deliver high-impact programmes across four interlinked areas, designed to improve outcomes at every stage of the education journey and contribute towards SDG targets 4.2, 4.3, 4.04 and 4.c. This financial year, KHULA supported over 6,450 students, strengthened its delivery model through place-based clusters, and expanded partnerships to amplify local and national reach.

1. Early Childhood Development

KHULA operates four registered preschools, providing bilingual, play-based education to 347 children aged 3-5 in the communities of Rorke's Drift, Isandlwana, Amoibe and Sigubudu in uMzinyathi District, South Africa. In 2024, we opened a new preschool at Sigubudu, expanding access to an additional 91 children. The programme follows the Grow Early Learning curriculum and the Afrika Tikkun Bambanani curriculum (introduced for our Grade RR learners), preparing children for formal schooling through a strong focus on social-emotional development, foundational literacy and numeracy, and early English exposure. Internal benchmarking shows KHULA preschoolers consistently outperform peers in primary school.

2. Supplementary Teaching (Maths & English)

We work in partnership with 11 government schools, delivering targeted, in-school support to over 3,450 students across Grades R-12. In 2024/25, the programme expanded to four new schools, including three primaries and one high school, reaching an additional 1,400 students. We provide lesson support, after-school sessions, remediation and paperless, CAPS-aligned assessments via iPads. Foundation Phase Maths pass rates improved by 29%, and Grade 8-9 students improved foundational knowledge by over 20%. Our programme also supports high school students with university and scholarship applications, contributing to sustained improvements in post-school access.

3. Educator Development

KHULA supports over 300 teachers annually across 50 schools, providing continuous professional development through workshops, mentoring, co-planning and WhatsApp-based communities of practice. In 2024, we delivered 30+ Department of Basic Education-endorsed Maths and English workshops and expanded our mentorship model to include peer support. The KHULA Teaching Fellowship continues to grow a local pipeline of young educators teaching in their home communities, contributing to retention and improved student outcomes. This work supports SDG 4.c by strengthening the local teaching workforce and reducing reliance on short-term external interventions.

4 Skills & Employment

KHULA provides out-of-school youth with practical training and pathways into employment. In 2024/25, we opened two fully equipped Skills Hubs and trained 643 young people in areas such as digital literacy, job readiness, hospitality, and entrepreneurship. KHULA is a Cisco-accredited training partner, with 63 students completing technical courses in networking, data security, or cybersecurity. Since programme inception, over 1,000 youth have been trained, with 200 supported into employment, including 80 placed in local jobs. Additional support is provided for 22 first-generation university students, with full mentorship and financial guidance. The programme continues to build long-term economic resilience in a region where youth unemployment exceeds 80%.

Our guiding principles

Across all of our areas of work, we put into practice the unique success factors that form our model of impact. These are:

1. Invest in the whole educational journey

Education is not a phase, but a lifelong pursuit. We don't narrow our focus to one stage of formal education, but support students from pre-school to matriculation, and beyond.

2. Be sustainable

We strive to be sustainable in where and how we work. The programmes we run are not short-term interventions but are designed to be sustained over time.

3. Be additive, not competitive

We work with the state school system to supplement the education it provides, working together for greater impact.

4. Drive towards outcomes

In everything we do, we are oriented by the outcomes we seek and are guided by finding the best path to impact.

5. Working with and for the community

We are deeply established in, and motivated by, the local community. This is essential to our success and impact.

6. Working through partnerships

By working with others, we can maximise the impact of our resources and provide pathways for others to have a positive role in our community.

Each of our six principles is woven into our key programmes and into the KHULA mindset, and together they form the foundation of our successful, impactful and sustainable model. Not only do we see impact on the ground stemming from our model of action, but we also are reassured by global studies that verify the importance of each of our principles.

Medium- and long-term strategy ambitions:

In line with our medium-term plans, 2024 was the second year in which our top-up teaching support has supported three clusters of schools. The third cluster was enhanced during 2024 with the opening of our fourth KHULA Isisekelo preschool. And, in support of SDGs 8.3 and 8.5, we continue to grow and deepen our Skills and Employment programme for both in and out-of-school youth. This was particularly facilitated by the opening of our two skills hubs in 2024. In 2024 we trained 643 local young people in a range of work readiness and practical skills.

Financial review

Income:

The income can be broken down as follows:

- income from trusts and foundations continued to provide the base of our programmes with income reaching £381,698 (2024: £391,198). Restricted funding made up £36,025 (2024: £101,686) of this total.

- unrestricted donations from supporters totalled £345,673 (2024: £288,750)

Although income was lower during 2024/25 than the previous year the effect of this was counter-acted by an increase in income in our sister charity in South Africa. Therefore the funding requirement from the UK entity to the South African entity was also correspondingly lower.

Expenditure:

Expenditure continued to be focussed on our core programme work in South Africa and fundraising in the UK. Expenditure totalled £405,060 (2024: £468,791).

Restricted expenditure stood at £125,851 (2024: £175,465)

At the end of the year the total funds balance stood at £170,950 (2024: £198,142) made up of restricted funds of £36,336 (2024: £124,162) and unrestricted funds of £136,614 (2024: £73,980). We believe that these allow the trust to maintain its current approach to meet our goals and provide the basis for future funding plans.

In 2024/25 KHULA appointed a second member of staff in the UK to strengthen capacity for donor engagement, reporting and strategic communications. This reflects the charity's growing profile, fundraising needs, and commitment to sustaining long-term partnerships.

The UK team is responsible for raising funds for both KHULA Education (UK charity no. 1115636) and KHULA's Not for Profit Company (NPC) in South Africa. This dual responsibility ensures streamlined international donor stewardship and enables funding to flow efficiently to programme delivery on the ground. The team also supports monitoring, evaluation and reporting across both entities to meet the expectations of funders and regulatory bodies.

Reserve Policy

The Trustees have decided to adopt a low-risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of reserves in South African Rand. It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to three month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Foundation's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

At 5 April 2025, the total reserves of the Trust stood at £170,950 (2024: £198,142) of which £34,336 (2024: £124,162) were restricted funds set aside for multi-year projects. This is within the Trustees' requirement.

Risk Policy

The Trustees have given consideration to the main risks to which the trust is exposed and have satisfied themselves that systems, actions and procedures are in place to manage and mitigate those risks.

Governance

The Trustees meet formally, between two to three times a year, to review financial and operational performance. Detailed progress on projects that have received grants are reviewed at each Trustee meeting. Sub-committees have been formed to oversee finance, strategy and fund-raising between meetings. These can also be for engagement with trustees of the Foundation in South Africa. As opportunities allow, there are UK trustee visits to the supported schools and projects funded by the UK. Significant efforts have been made to ensure GDPR compliance, and to mitigate any associated risks.

Currency Risk

The trustees have decided to adopt a low-risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of assets in local currency. The trustees have now also engaged a foreign exchange broker to be used when transferring funds to our sister South African entity to in order to reduce exchange rate risk and the associated transfer costs.

Financial Risk

We operate a dual signature regime on all bank accounts. Expenditure, future commitments and bank balances are reviewed at trustee meetings. Private donations are made either via an approved internet intermediary (such as Just Giving) or directly to the Trust's bank account. Despite being a small charity our accounts are audited annually.

Future Sustainability

The Trustees have continued to invest in fundraising support to secure the long-term nature of the organisation. Support is primarily used to approach major foundations for grants for specific projects and to ensure all grants and investments are against defined projects which have discrete and measurable outcomes. There are very good relations with known donors. Records of donors have been formalised, and there is regular contact with past and current donors/funders to support continuing and regular flow of funds.

Grants not applied to a specific project

We work in a specific area and grants are made only to support the work and running of the Foundation in South Africa. The Chairman and other Trustees maintain close links with KHULA Education in South Africa and make regular visits to South Africa, conducting onsite inspections of projects and meeting with the trustees and officers of the Foundation in South Africa.

The Trusts' Objectives

To advance education and raise awareness about different racial groups in order to promote good relations between persons of different racial groups by promoting knowledge and mutual understanding with particular reference to South Africa and its historical context;

To advance the education of young people in the United Kingdom in the subject of racial reconciliation with particular reference to South Africa and its historical context;

To promote sustainable development for the benefit of the public by:

- (a) the preservation, conservation and protection of the environment and the prudent use of resources in southern Africa and;
- (b) the relief of poverty and the improvement of the conditions of life of socially disadvantaged communities in southern Africa particularly in the areas of education and health.

Trustee Selection and Training

The trustees are appointed by resolution of the remaining trustees for a term of three years. Trustees can serve for additional periods, each period being for three years. New trustees are nominated by members of the board of trustees who appoint the new trustee if they have the necessary skills to contribute to the Trust's management and development. Where new trustees are appointed, they are given a formal induction to the work of the Trust and provided with the information they need to fulfil their roles, which includes information about the role of trustees and charity law.

Public Benefit

The objects and purpose of the Trust are set out above. The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting grant making policy for the year.

Management

During the year ended 5th April 2025, the trustees met on 3 occasions. The trust employs two staff members in the UK; other activities are carried out either by the trustees who receive no salary or expenses or by engaging on a consultancy basis suitable and experienced support.

Statement of Trustee's responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principals in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is not information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report was approved by the board on ~~25 November 2025~~ and signed on its behalf.


F Meyerwitz Singh
Trustee

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Independent auditor's report

to the member of DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Opinion

We have audited the financial statements of DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION) (the 'trust') for the year ended 5 April 2025 which comprise the statement of financial activities, the balance sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Independent auditor's report

to the member of DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- adequate accounting records have not been kept; or

- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity.

We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. We examined and discussed with management any known or suspected instances of fraud or non-compliance with laws and regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

The audit team discussed whether there were any areas that were susceptible to misstatement as part of their fraud discussion.

In addressing the risk of management override of controls, we tested the appropriateness of journal entries with a focus on large or unusual transactions based on criteria determined using our knowledge of the organisation and industry. We also challenged assumptions and judgements made.

We incorporated an element of unpredictability in the selection of the nature, timing and extent of our audit procedures.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Independent auditor's report

to the member of DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including bribery and non compliance.

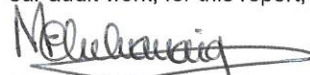
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair representation.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trustees and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Moganaraden Chelvanaigum FCCA
(Senior Statutory Auditor)
for and on behalf of
SKS Audit LLP

3 Sheen Road
Richmond
TW9 1AD

Date.. 29/01/26

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Income Statement

for the year ended 5 April 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	2	345,673	36,025	381,698	390,436
Investments	3	1,426	-	1,426	762
Total income		347,099	36,025	383,124	391,198
Expenditure on:					
Raising funds	4	11,329	-	11,329	6,324
Charitable activities	5	255,634	125,851	381,485	462,467
Governance costs	6	11,459	-	11,459	-
Finance costs		787	-	787	-
Total expenditure		279,209	125,851	405,060	468,791
Net (expenditure)/income for the year		67,890	(89,826)	(21,936)	(77,593)
Other recognised gains and losses					
Loss on foreign exchange		(5,256)	-	(5,256)	(20,564)
Net movement in funds		62,634	(89,826)	(27,192)	(98,157)
Fund balances at 6 April 2024		73,980	124,162	198,142	296,299
Funds balances at 5 April 2025		136,614	34,336	170,950	198,142

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)
Statement of Financial Position
as at 5 April 2025

	Notes	2025 £	2024 £
Current assets			
Debtors	10	21,208	12,500
Cash at bank and in hand		218,245	198,590
		<u>239,453</u>	<u>211,090</u>
Creditors: amounts falling due within one year	11	(18,503)	(12,948)
Net current assets		<u>220,950</u>	<u>198,142</u>
Total assets less current liabilities		<u>220,950</u>	<u>198,142</u>
Creditors: amounts falling due after more than one year	12	(50,000)	-
Net assets		<u>170,950</u>	<u>198,142</u>
Capital and reserves			
Restricted funds	14	34,336	124,162
Unrestricted funds	13	136,614	73,980
Total equity		<u>170,950</u>	<u>198,142</u>

F Meyerwitz Singh
Trustee

Approved by the board on of Trustees on.....



25 November 2025

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)
Statement of Cash Flows
for the year ended 5 April 2025

	Notes	2025 £	2024 £
Operating activities			
Cash absorbed by operations	18	19,016	(112,481)
Investing activities			
Investment income received		1,426	762
Financing activities			
Interest payable		(787)	
Net decrease in cash and cash equivalents		<u>19,655</u>	<u>(111,719)</u>
Cash and cash equivalents at 6 April 2024		<u>198,590</u>	<u>310,309</u>
Cash and cash equivalents at 5 April 2025		<u>218,245</u>	<u>198,590</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>218,245</u>	<u>198,590</u>
		<u>218,245</u>	<u>198,590</u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Notes to the Accounts

for the year ended 5 April 2025

1 Summary of significant accounting policies

Charity information

David Rattray Foundation is a Trust registered in England and Wales. The principal address of the Trust is given on the charity information page. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Income

Income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised on receipt unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donations.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be recovered. Costs of Charitable Activities include those costs which meet the objectives of the Trust. Governance costs are those incurred in meeting the statutory requirements of running the Trust.

Cash and cash equivalents

Cash and cash equivalents include deposits held with banks.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to the Statement of Financial Activities as a gain or loss.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Notes to the Accounts

for the year ended 5 April 2025

Grants

Grants are treated as expenditure when authorised by the Trustees and communicated to beneficiaries, not when the grants are paid.

Tax status

The Trust is a registered charity and therefore is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

2 Donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	345,673	36,025	381,698	288,750	101,686	390,436
	<u>345,673</u>	<u>36,025</u>	<u>381,698</u>	<u>288,750</u>	<u>101,686</u>	<u>390,436</u>

3 Investment income

	2025 £	2024 £
Interest receivable	<u>1,426</u>	<u>762</u>

4 Raising funds

	2025 £	2024 £
<u>Fundraising and publicity</u>		
Charity development	<u>11,329</u>	<u>6,324</u>
	<u>11,329</u>	<u>6,324</u>

5 Charitable activities

	2025 £	2024 £
Staff costs	94,574	68,961
Staff administrative fees	845	-
Charity expenditure	275,167	384,686
Just giving fees	858	930
Website costs	1,416	1,108
Audit fees	4,800	3,435
Accountancy fees	2,580	2,565
Bank charges	897	590
Subscription fees	348	192
	<u>381,485</u>	<u>462,467</u>

Analysis by fund

Unrestricted funds	255,634	287,002
Restricted funds	125,851	175,465
	<u>381,485</u>	<u>462,467</u>

6 Governance costs

	2025 £	2024 £
Trustee costs	9,185	-
Legal fees	2,274	-
	<u>11,459</u>	<u>-</u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)
Notes to the Accounts
for the year ended 5 April 2025

7 Trustees

The Trustees are considered key management of the charity. None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2024: None).

8 Employees

	2025 £	2024 £
Average number of employees	2	1
	<u>2</u>	<u>1</u>
Wages and salaries	94,574	68,961
	<u>94,574</u>	<u>68,961</u>

There was one employee whose annual remuneration was £60,000 or more.

9 Other gains or losses

	Unrestricted 2025 £	Restricted 2025 £	Total 2025 £	Total 2024 £
Foreign exchange gains/(losses)	(5,256)	-	(5,256)	(20,564)
	<u>(5,256)</u>	<u>-</u>	<u>(5,256)</u>	<u>(20,564)</u>

10 Debtors

	2025 £	2024 £
HMRC Gift Aid Receivable	20,632	12,500
Prepayments	348	-
Other debtors	228	-
	<u>21,208</u>	<u>12,500</u>

11 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	11,702	5,873
Other taxes and social security costs	-	158
Other creditors	514	317
Accruals and deferred income	6,287	6,600
	<u>18,503</u>	<u>12,948</u>

12 Creditors: amounts falling due after one year

	2025 £	2024 £
Other creditors	50,000	-
	<u>50,000</u>	<u>-</u>

The Other creditor balance wholly relates to a loan due to a related party. Detail of this loan can be found in Note 17 to the accounts.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Notes to the Accounts

for the year ended 5 April 2025

13 Unrestricted funds

	At 6 April 2024 £	Incoming resources £	Resources expended £	Transfers 2024 £	Gains and losses £	At 5 April 2025 £
General funds	73,980	347,099	(279,209)	-	(5,256)	136,614
	<u>73,980</u>	<u>347,099</u>	<u>(279,209)</u>	<u>-</u>	<u>(5,256)</u>	<u>136,614</u>
	At 6 April 2023 £	Incoming resources £	Resources expended £	Transfers 2024 £	Gains and losses £	At 5 April 2024 £
General funds	178,739	289,512	(293,326)	(89,048)	(11,897)	73,980
	<u>178,739</u>	<u>289,512</u>	<u>(293,326)</u>	<u>(89,048)</u>	<u>(11,897)</u>	<u>73,980</u>

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes.

14 Restricted funds

	At 6 April 2024 £	Incoming resources £	Resources expended £	Transfers 2024 £	Gains and losses £	At 5 April 2025 £
Education programme costs	33,056	36,025	(34,745)	-	-	34,336
Third Cluster Building Infrastructure & ICT Hub	91,106		(91,106)			-
	<u>124,162</u>	<u>36,025</u>	<u>(125,851)</u>	<u>-</u>	<u>-</u>	<u>34,336</u>
	At 6 April 2023 £	Incoming resources £	Resources expended £	Transfers 2024 £	Gains and losses £	At 5 April 2024 £
Education programme costs	117,560	101,686	(81,789)	(95,734)	(8,667)	33,056
Third Cluster Building Infrastructure & ICT Hub	-	-	(93,676)	184,782	-	91,106
	<u>117,560</u>	<u>101,686</u>	<u>(175,465)</u>	<u>89,048</u>	<u>(8,667)</u>	<u>124,162</u>

The charity has the following restricted funds:

Education programme costs: For the purpose of the general running costs of the pre-schools, top-up teaching and other education programmes.

Third Cluster Building Infrastructure & ICT Hub: For the purpose of the Infrastructure - Third Cluster Expansion Building.

15 Analysis of net assets between funds

	Unrestricted 2025 £	Restricted 2025 £	Total 2025 £	Unrestricted 2024 £	Restricted 2024 £	Total 2024 £
Fund balances at 5 April are represented by:						
Current assets/(liabilities)	136,614	34,336	170,950	73,980	124,162	198,142
	<u>136,614</u>	<u>34,336</u>	<u>170,950</u>	<u>73,980</u>	<u>124,162</u>	<u>198,142</u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)
Notes to the Accounts
for the year ended 5 April 2025

16 Movement in funds

	At 6 April 2024 £	Net movement in funds £	Transfer between funds £	At 5 April 2025 £
Unrestricted funds				
General funds	73,980	62,634	-	136,614
Restricted funds				
Education programme costs	33,056	1,280	-	34,336
Third Cluster Building				
Infrastructure & ICT Hub	91,106	(91,106)	-	-
Total Restricted funds	<u>124,162</u>	<u>(89,826)</u>	<u>-</u>	<u>34,336</u>
Total funds	<u>198,142</u>	<u>(27,192)</u>	<u>-</u>	<u>170,950</u>
	At 6 April 2023 £	Net movement in funds £	Transfer between funds £	At 5 April 2024 £
Unrestricted funds				
General funds	178,739	(15,711)	(89,048)	73,980
Restricted funds				
Education programme costs	117,560	11,230	(95,734)	33,056
Third Cluster Building				
Infrastructure & ICT Hub	-	(93,676)	184,782	91,106
Total Restricted funds	<u>117,560</u>	<u>(82,446)</u>	<u>89,048</u>	<u>124,162</u>
Total funds	<u>296,299</u>	<u>(98,157)</u>	<u>-</u>	<u>198,142</u>

17 Related party transactions

During the year one trustee loaned the charity £50K (2024: £nil). Interest is being charged at Bank of England base rate. The loan is repayable commencing on 30 November 2025 by quarterly instalments of principal and interest, subject to the availability of sufficient unrestricted funds of the charity. Where sufficient unrestricted funds are not available, repayment may be deferred until such funds become available, in accordance with the terms of the loan agreement dated 18 November 2024.

There was no expenditure paid to related parties for the year ended 5 April 2025 for charitable activities (2024: £nil).

18 Cash absorbed by operations

	2025 £	2024 £
Deficit for the year	(21,936)	(77,593)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,426)	(762)
Financing costs recognised in statement of financial activities	787	
Foreign exchange differences	(5,256)	(20,564)
Movements in working capital:		
(Increase)/decrease in debtors	(8,708)	(12,500)
(Decrease)/increase in creditors	55,555	(1,062)
Cash absorbed by operations	<u>19,016</u>	<u>(112,481)</u>

David Rattray Foundation

England & Wales - Charity number 1119353

Accounts

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2024

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	L Bridges P Hollingum M Kentridge G Klintworth H Loyd F Meyerwitz Singh T Makgatho R Neville M O'Byrne T O'Malley N Virr R Woodhead S Pfeil	(Resigned on 26 February 2024) (Resigned on 26 February 2024) (Chair) (appointed on 25 June 2024 and Resigned on 25th February 2025)
Charity number	1119353	
Principal address	26 Gosfield Street London W1W 6HH	
Auditor	SKS Audit LLP Chartered Accountants 3 Sheen Road Richmond TW9 1AD	
Bankers	HSBC Bank plc The Peak 333 Vauxhall Bridge Road London SW1V 1EJ	

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

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DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2024

The Trustees present their report and financial statements for the year ended 5 April 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The David Rattray Foundation, operating locally as KHULA Education, was established in 2007. Honouring David Rattray's legacy, KHULA Education is deeply committed to improving the quality of education in the KwaZulu-Natal region of South Africa and mobilising education as a pathway to community empowerment and alleviating poverty in one of the most marginalised areas of South Africa.

Our Vision

That all children, regardless of their socio-economic, cultural background or location are able to reach their potential and make a difference to their families and communities.

Our Mission

Our mission is to enable children from under-served, rural communities in South Africa to obtain a high-quality education to improve their own lives and those of their communities.

Our Goals

As KHULA has expanded both its footprint and work, we have aligned our agenda to Sustainable Development Goal (SDG) 4: *to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*. Our primary goals are:

1. Give children the chance to lift themselves out of their extremely disadvantaged background by working to improve educational facilities, standards and care for children.
2. Support the development of children by ensuring that they are not just educated sufficiently to pass a set of exams, but also effectively prepared for their adult lives. We believe that through improving their educational attainment, each child will be in a better position to improve their own life, achieve better standards of health, secure more satisfactory employment, and contribute more meaningfully to the life of their family, village, society and country.

Our Approach

Our current area of support is in the remote uMzinyathi district of rural KwaZulu-Natal. Our work is in collaboration with our sister organisation, the David Rattray Foundation in South Africa, under the shared identity of KHULA Education.

Our activities span the historic battlefields of rural KwaZulu-Natal from Elandskraal, through Rorke's Drift to Nqutu and Isandlwana, some of the most isolated and marginalised areas in South Africa. This is a region of outstanding beauty and dramatic history, but these elements alone are no substitute for education.

In total, we support 22 under-resourced, local schools to address key educational needs and achieve a measurable uplift in education levels and post-school employment. Through these and schools our work impacts 6,500 students and more than 300 teachers.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

Safeguarding

Safeguarding of children in the supported schools is our highest priority. Prior to onboarding, all staff of the David Rattray Foundation in South Africa are required to obtain a Sexual Offenders Register Clearance Certificate. In addition, all staff, volunteers and partners in South Africa are required to sign a 'Personal Commitment to Child Protection' Form. A Child Protection Policy has been implemented in all schools, and all staff have been trained accordingly, with refresher training delivered each year. Safeguarding incidents are rare and dealt with in accordance with local child protection and labour law.

We also have a qualified Educational Psychologist on the staff. This person is instrumental in providing support, guidance and relevant materials for teachers to support any child who may require remedial support and/or counselling. It is noteworthy that with this intervention, children who were previously considered by the schools to potentially have learning disabilities, were in fact often those who had simply struggled with the lack of individual attention in large classes. Our top-up teaching and remedial support has made a significant impact with such children, including the provision of smaller support classes in KHULA's dedicated remediation spaces.

Our Strategy and Programmes

KHULA is driven by the mission to reduce poverty in the local community by providing a high-quality education for all, focusing on the most under-served children. We focus on the entire educational journey – from early childhood education through to career readiness – empowering students every step of the way to reach their full potential. This is achieved through four key programmes which, while modular, interact and bolster each other to produce a holistic package of support to the community. These four programmes are:

1. Early Childhood Development

We lay the foundation for success with quality early education for 350 pre-school children, teaching in both isiZulu and English. We operate 4 pre-schools in Rorke's Drift, Isandlwana, Amoibe and Sigubudu. This vital early education prepares children for future learning and growth in formal schooling and beyond, thus contributing to SDG 4.2: *quality early childhood development and pre-primary education for all*. Our pre-schools follow the Grow Early Learning curriculum widely used across South Africa. The programme includes teaching English to provide the children with exposure to English before joining Primary School and learning in English from Grade 4 onwards. More than 80% of our preschoolers are fluent in English at the end of the two-year programme and consistently rank in the highest 20% of learners graduating from Primary School. At the end of 2024 we celebrated 10 years of KHULA preschools.

2. Top-Up Teaching

In partnership with 11 government schools, we provide over 3,250 students with supplementary teaching in Mathematics and English, improving literacy and numeracy to levels above the national average, and helping them overcome overcrowded classrooms where sometimes up to 90 children are taught by a single teacher. We support all schooling phases, being Foundation, Intermediate, Senior and FET Phases. We offer extra classes, lesson support for teachers, after-school teaching and help through learning tools. We aim to reduce the impact that large class sizes, limited teacher training and teacher absenteeism have on both teachers and students. Additionally, we offer targeted support, such as WiFi and learning tools, to 22 local schools. At all stages, our learners show an increase in Maths and English scores which also bolsters their performance in other subjects.

3. Job Skills and Life Readiness

KHULA Education supports high school pupils and school leavers for the workforce by offering career guidance, digital skills, and job readiness training. Our goal is to help them secure meaningful employment, contributing to the long-term economic growth of their communities. In early 2024 KHULA Education opened The Charles Aikenhead Skills Hub in Rorke's Drift and iNkosi Mazibuko M.P.N. Skills Hub and ECD Centre at Sigubudu, greatly enhancing our ability to support skills and employment programmes for in school and out of school youth.

KHULA supports young people to improve their life skills, understand the various pathways beyond school, and to make application for tertiary studies and employment opportunities, smoothing the transition beyond the school system. Support offered includes life skills workshops, access to resources, guidance in finding and applying to scholarships (including National Student Financial Aid Scholarship bursaries and various scholarships), and guidance in finding and applying to learnerships and employment.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

In 2024, we provided services to more than 2,300 children and young adults including career orientation and guidance, assistance in accessing scholarships, learnerships and job opportunities and a range of life skills and job readiness training and programmes – including the ABE-endorsed KidsMBA and our young leaders project Ngilalele. This programme of activities also aims to support progress towards SDGs 4.3 and 4.4: *access to and the skills for tertiary education, vocational studies, employment and entrepreneurship*.

4. Educator Development.

As well as supporting local students, KHULA Education empowers over 300 teachers, equipping them with the skills and resources needed to create dynamic, engaging and effective learning environments, ensuring that every child receives quality education. KHULA's approach includes in-class mentorship and workshops that develop teachers' skills in the classroom, their use of technology, and strengthens their capacity to teach the English and Maths curriculum. KHULA Education has established WhatsApp groups which form a support network and mechanism to share resources and seek advice. These interventions contribute towards SDG 4.c, *increasing the supply of qualified teachers*.

Our guiding principles

Across all of our areas of work, we put into practice the unique success factors that form our model of impact. These are:

1. Invest in the whole educational journey

Education is not a phase, but a lifelong pursuit. We don't narrow our focus to one stage of formal education, but support students from pre-school to matriculation, and beyond.

2. Be sustainable

We strive to be sustainable in where and how we work. The programmes we run are not short-term interventions but are designed to be sustained over time.

3. Be additive, not competitive

We work with the state school system to supplement the education it provides, working together for greater impact.

4. Drive towards outcomes

In everything we do, we are oriented by the outcomes we seek and are guided by finding the best path to impact.

5. Working with and for the community

We are deeply established in, and motivated by, the local community. This is essential to our success and impact.

6. Working through partnerships

By working with others, we can maximise the impact of our resources and provide pathways for others to have a positive role in our community.

Each of our six principles is woven into our key programmes and into the KHULA mindset, and together they form the foundation of our successful, impactful, and sustainable model. Not only do we see impact on the ground stemming from our model of action, but we also are reassured by global studies that verify the importance of each of our principles.

Medium- and long-term strategy ambitions:

In line with our medium-term plans, 2024 was the second year in which our top-up teaching support has supported three clusters of schools. The third cluster was enhanced during 2024 with the opening of our fourth KHULA Isisekelo preschool. And, in support of SDGs 8.3 and 8.5, we continue to grow and deepen our Skills and Employment programme for both in and out-of-school youth. This was particularly facilitated by the opening of our two skills hubs in 2024. In 2024, we trained 643 local young people in a range of work readiness and practical skills.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

Financial review

Income:

The income can be broken down as follows

- Income from trusts and foundations continued to provide the base of our programmes with income reaching £391,198 (2023: £161,963). Restricted funding made up £101,686 (2023: £71,762) of this total.
- Unrestricted donations from supporters totalled £289,512 (2023: £90,201).

Expenditure:

Expenditure continued to be focused on our core programme work in South Africa and fundraising in the UK. Expenditure totalled £468,791 (2023: £487,586).

Restricted expenditure stood at £175,465 (2023: £393,808).

At the end of the year, the total funds balance stood at £198,142 (2023: £296,299) made up of restricted funds of £124,162 (2023: £117,560) and unrestricted funds of £73,980 (2023: £178,739). We believe that these allow the trust to maintain its current approach to meet our goals and provide the basis for future funding plans.

Reserve Policy

The Trustees have decided to adopt a low-risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of reserves in South African Rand. It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three to six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Foundation's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

At 5 April 2024, the total reserves of the Trust stood at £198,142 (2023: £296,299) of which £124,162 (2023: £117,560) were restricted funds set side for multi-year projects. This is within the Trustees' requirement.

Risk Policy - The Trustees have given consideration to the main risks to which the trust is exposed and have satisfied themselves that systems, actions and procedures are in place to manage and mitigate those risks.

Governance - The Trustees meet formally, between two to three times a year, to review financial and operational performance. Detailed progress on projects that have received grants are reviewed at each Trustee meeting. Sub committees have been formed to oversee finance, strategy and fund-raising between meetings. These can also be fora for engagement with trustees of the Foundation in South Africa. As opportunities allow, there are UK trustee visits to the supported schools and projects funded by the UK. Significant efforts have been made to ensure GDPR compliance, and to mitigate any associated risks.

Currency Risk - The trustees have decided to adopt a low-risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of assets in local currency.

Financial Risk - We operate a dual signature regime on all bank accounts. Expenditure, future commitments and bank balances are reviewed at trustee meetings. Private donations are made either via an approved internet intermediary (such as Just Giving) or directly to the Trust's bank account. Despite being a small charity, our accounts are audited annually.

Future Sustainability - The Trustees have continued to invest in fundraising support to secure the long-term nature of the organisation. Support is primarily used to approach major foundations for grants for specific projects and to ensure all grants and investments are against defined projects which have discrete and measurable outcomes. There are very good relations with known donors. Records of donors have been formalised, and there is regular contact with past and current donors/funders to support continuing and regular flow of funds.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

Grants not applied to a specific project - We work in a specific area and grants are made only to support the work and running of the Foundation in South Africa. The Chairman and other Trustees maintain close links with KHULA Education in South Africa and make regular visits to South Africa, conducting onsite inspections of projects and meeting with the trustees and officers of the Foundation in South Africa.

The Trusts' Objectives

To advance education and raise awareness about different racial groups in order to promote good relations between persons of different racial groups by promoting knowledge and mutual understanding with particular reference to South Africa and its historical context;

To advance the education of young people in the United Kingdom in the subject of racial reconciliation with particular reference to South Africa and its historical context;

To promote sustainable development for the benefit of the public by:

- (a) the preservation, conservation and protection of the environment and the prudent use of resources in southern Africa and
- (b) the relief of poverty and the improvement of the conditions of life of socially disadvantaged communities in southern Africa particularly in the areas of education and health.

Trustee Selection & Training

The trustees are appointed by resolution of the remaining trustees for a term of three years. Trustees can serve for additional periods, each period being for three years. New trustees are nominated by members of the board of trustees who appoint the new trustee if they have the necessary skills to contribute to the Trust's management and development. Where new trustees are appointed, they are given a formal induction to the work of the Trust and provided with the information they need to fulfil their roles, which includes information about the role of trustees and charity law.

Public Benefit

The objects and purpose of the Trust are set out above. The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting grant making policy for the year.

Management

During the year ended 5th April 2024, the trustees met on three occasions. The trust employs one staff member in the UK; other activities are carried out either by the trustees who receive no salary or expenses or by engaging on a consultancy basis suitable and experienced support.

L Bridges	
P Hollingum	
M Kentridge	
G Klintworth	
H Loyd	
T Makgatho	(Resigned 26 February 2024)
F Meyerwitz Singh	
R Neville	
M O'Byrne	
T O'Malley	
N Virr	(Resigned 26 February 2024)
R Woodhead	(Chair)
S Pfeil	(Appointed 25th June 2024 and Resigned on 25 February 2025)

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the board of Trustees



TK O'Malley

Trustee

Dated: 04/02/25

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Opinion

We have audited the financial statements of David Rattray Foundation (known as Khula Education) (the 'trust') for the year ended 5 April 2024 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Other Matter

The figures for financial year 5 April 2023 are unaudited.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity.

We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. We examined and discussed with management any known or suspected instances of fraud or non-compliance with laws and regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

The audit team discussed whether there were any areas that were susceptible to misstatement as part of their fraud discussion.

In addressing the risk of management override of controls, we tested the appropriateness of journal entries with a focus on large or unusual transactions based on criteria determined using our knowledge of the organisation and industry. We also challenged assumptions and judgements made

We incorporated an element of unpredictability in the selection of the nature, timing and extent of our audit procedures.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including bribery and non compliance

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

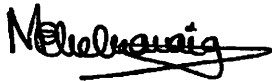
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Use of Report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trustees and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed



Moganarden Chelvanaigum
(Statutory Auditor)
For and on behalf of SKS Audit LLP

3 Sheen Road
Richmond
TW9 1AD

04/02/2025

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income from:					
Donations and legacies	2	288,750	101,686	390,436	161,837
Investments	3	762	-	762	126
Total income		289,512	101,686	391,198	161,963
Expenditure on:					
Raising funds	4	6,324	-	6,324	7,498
Charitable activities	5	287,002	175,465	462,467	480,088
Total expenditure		293,326	175,465	468,791	487,586
Net outgoing resources before transfers		(3,814)	(73,779)	(77,593)	(325,623)
Gross transfers between funds		(89,048)	89,048	-	-
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(92,862)	15,269	(77,593)	(325,623)
Other recognised gains and losses					
Loss on foreign exchange		(11,897)	(8,667)	(20,564)	(12,166)
Net movement in funds		(104,759)	6,602	(98,157)	(337,789)
Fund balances at 6 April 2023		178,739	117,560	296,299	634,088
Fund balances at 5 April 2024		73,980	124,162	198,142	296,299

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

BALANCE SHEET

AS AT 5 APRIL 2024

	Notes	2024 £	2023 £
Current assets			
Debtors	9	12,500	-
Cash at bank and in hand		198,590	310,309
		<u>211,090</u>	<u>310,309</u>
Creditors: amounts falling due within one year	10	12,948	14,010
		<u>198,142</u>	<u>296,299</u>
Net current assets		<u>198,142</u>	<u>296,299</u>
Total assets less current liabilities		<u><u>198,142</u></u>	<u><u>296,299</u></u>
Income funds			
Restricted funds	12	124,162	117,560
Unrestricted funds		73,980	178,739
		<u>198,142</u>	<u>296,299</u>

The financial statements were approved by the Trustees on ...04/02/25.....



TK O'Malley
Trustee

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	17		(112,481)		(206,131)
Investing activities					
Investment income received		762		126	
Net cash generated from investing activities			762		126
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(111,719)		(206,005)
Cash and cash equivalents at beginning of year			310,309		516,314
Cash and cash equivalents at end of year			198,590		310,309

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies

Company information

David Rattray Foundation is a Trust registered in England and Wales. The principal address of the Trust is given on the charity information page. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

1.1 Accounting convention

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is more likely than not. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies

(Continued)

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be recovered. Costs of Charitable Activities include those costs which meet the objectives of the Trust. Governance costs are those incurred in meeting the statutory requirements of running the Trust and are included in costs of charitable activities.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange of the most recent transfer from the sterling bank accounts. Exchange differences are taken into account in arriving at the surplus or deficit.

1.8 Grants

Grants are treated as expenditure when authorised by the Trustees and communicated to beneficiaries, not when the grants are paid.

1.9 Tax status

The Trust is a registered charity and therefore is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations and gifts	288,750	101,686	390,436	90,075	71,762	161,837

3 Investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable	762	126

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

4 Raising funds

	Total 2024 £	Total 2023 £
<u>Fundraising and publicity</u>		
Charity development	6,324	7,498
	<u>6,324</u>	<u>7,498</u>

5 Charitable activities

	2024 £	2023 £
Staff costs	68,961	63,581
Charity expenditure	384,686	405,862
Just giving fees	930	1,094
Website costs	1,108	2,132
Audit fees	3,435	4,598
Accountancy fees	2,565	2,360
Bank charges	590	461
Subscription Fees	192	-
	<u>462,467</u>	<u>480,088</u>
Analysis by fund		
Unrestricted funds	287,002	86,280
Restricted funds	175,465	393,808
	<u>462,467</u>	<u>480,088</u>

6 Trustees

The Trustees are considered key management of the charity. None of the Trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year (2023: None).

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

7 Employees

Number of employees

2024 Number	2023 Number
1	1
1	1

Employment costs

2024 £	2023 £
-----------	-----------

Wages and salaries

68,961	63,581
68,961	63,581

There was one employee whose annual remuneration was £60,000 or more.

8 Other gains or losses

Unrestricted 2024 £	Restricted 2024 £	Total 2024 £	Total 2023 £
(11,897)	8,667	20,564	(12,166)
(12,166)	-		(12,166)

9 Debtors

Amounts falling due within one year:

2024 £	2023 £
12,500	-

HMRC Gift Aid Receivable

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

10 Creditors: amounts falling due within one year

	2024	2023
	£	£
Accruals and deferred income	6,600	10,440
Trade creditors	5,873	-
Other creditors	317	2,793
Other taxation and social security	158	777
	<u>12,948</u>	<u>14,010</u>

11 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 6 April 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 5 April 2024
	£	£	£	£	£	£
General funds	<u>178,739</u>	<u>289,512</u>	<u>(293,326)</u>	<u>(89,048)</u>	<u>(11,897)</u>	<u>73,980</u>
Previous year:	At 6 April 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 5 April 2023
	£	£	£	£	£	£
General funds	<u>194,482</u>	<u>90,201</u>	<u>(93,778)</u>	<u>-</u>	<u>(12,166)</u>	<u>178,739</u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

12 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Balance at 6 April 2023	Income for the year	Movement in funds			Balance at 5 April 2024
	£	£	Expenditure for the year	Transfers	Gains and losses	£
			£	£	£	
Education programme costs	117,560	101,686	(81,789)	(95,734)	(8,667)	33,056
Third Cluster Building Infrastructure & ICT Hub	-	-	(93,676)	184,782	-	91,106
	<u>117,560</u>	<u>101,686</u>	<u>(175,465)</u>	<u>89,048</u>	<u>(8,667)</u>	<u>124,162</u>

The charity has the following restricted funds:

Education programme costs: For the purpose of the general running costs of the pre-schools, top-up teaching and other education programmes.

Third Cluster Building Infrastructure & ICT Hub: For the purpose of the Infrastructure - Third Cluster Expansion Building and other cost UK internet & website.

13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Fund balances at 5 April 2024 are represented by:						
Current assets/(liabilities)	73,980	124,162	198,142	178,739	117,560	296,299
	<u>73,980</u>	<u>124,162</u>	<u>198,142</u>	<u>178,739</u>	<u>117,560</u>	<u>296,299</u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

14 Movement in Funds

	At 06/04/2023	Net Movement in Funds	Transfer Between Funds	At 05/04/2024
	£	£	£	£
Unrestricted Funds				
General Funds	178,739	(15,711)	(89,048)	73,980
Restricted Funds				
Education programme costs	117,560	11,230	(95,734)	33,056
Third Cluster Building Infrastructure & ICT Hub	-	(93,676)	184,782	91,106
Total Restricted fund	117,560	(82,446)	89,048	124,162
Total Funds	296,299	(98,157)	-	198,142

Movement in Funds - Prior Year

	At 06/04/2022	Net Movement in Funds	Transfer Between Funds	At 05/04/2023
	£	£	£	£
Unrestricted Funds				
General Funds	194,482	(15,743)	-	178,739
Restricted Funds				
Education programme costs	439,606	(322,046)	-	117,560
Total Restricted fund	439,606	(322,046)	-	117,560
Total Funds	634,088	(337,789)	-	296,299

15 Related party transactions

There were no disclosable related party transactions during the year (2023 : Nil).

There was no expenditure paid to related parties for the year ended 5 April 2024 for charitable activities (2023: Nil).

16 Analysis of changes in net funds

The trust had no material debt during the year.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

17	Cash absorbed by operations	2024 £	2023 £
	Deficit for the year	(77,593)	(325,623)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(762)	(126)
	Foreign exchange differences	(20,564)	(12,166)
	Movements in working capital:		
	(Increase)/decrease in debtors	(12,500)	129,236
	(Decrease)/increase in creditors	(1,062)	2,548
	Cash absorbed by operations	(112,481)	(206,131)

Accounts

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2023

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	L Bridges
	P Hollingum
	M Kentridge
	G Klintworth
	H Loyd
	F Meyerwitz Singh
	T Makgatho
	R Neville
	M O'Byrne
	T O'Malley
	N Virr
	R Woodhead
Charity number	1119353
Principal address	26 Gosfield Street London W1W 6HH
Independent examiner	SKS Audit LLP 3 Sheen Road Richmond Upon Thames TW9 1AD
Bankers	HSBC Bank plc The Peak 333 Vauxhall Bridge Road London SW1V 1EJ

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

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DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2023

The Trustees present their report and financial statements for the year ended 5 April 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The David Rattray Foundation, locally operating as KHULA Education, was established in 2007. Honouring David Rattray's legacy, KHULA is deeply committed to improving the quality of education in the KwaZulu-Natal region of South Africa and mobilising education as a pathway to community empowerment and alleviating poverty in one of the most marginalised areas of South Africa.

Our Vision

That all children, regardless of their socio-economic, cultural background or location are able to reach their potential and make a difference to their families and communities.

Our Mission

Our mission is to enable children from under-served (rural) communities in South Africa to obtain a high-quality education.

Our Goals

As KHULA has expanded both its footprint and work, we have aligned our agenda to Sustainable Development Goal (SDG) 4: *to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*. Our primary goals are:

1. Give children the chance to lift themselves out of their extremely disadvantaged background by working to improve educational facilities, standards and care for children.
2. Support the development of children by ensuring that they are not just educated sufficiently to pass a set of exams, but also effectively prepared for their adult lives. We believe that through improving their educational attainment, each child will be in a better position to improve their own life, achieve better standards of health, secure more satisfactory employment, and contribute more meaningfully to the life of their family, village, society and country.

Our Approach

Our current area of support is in the remote uMzinyathi district of rural KwaZulu-Natal. Our work is in collaboration with our sister organisation, the David Rattray Foundation in South Africa, under the shared identity of KHULA Education.

Our activities span the historic battlefields of rural KwaZulu-Natal from Elandskraal, through Rorke's Drift to Nquthu and Isandlwana, some of the most isolated and marginalised areas in South Africa. This is a region of outstanding beauty and dramatic history, but these elements alone are no substitute for education.

In total, we support 21 under-resourced, local schools to address key educational needs, both infrastructural and academic, to achieve a measurable uplift in education levels and post-school employment. Through these schools our work impacts 6,500 students and more than 200 educators.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Safeguarding

Safeguarding of children in the supported schools is our highest priority. Prior to onboarding, all staff of the David Rattray Foundation in South Africa are required to obtain a Sexual Offenders Register Clearance Certificate. In addition, all staff, volunteers and partners in South Africa are required to sign a 'Personal Commitment to Child Protection' Form. A Child Protection Policy has been implemented in all schools, and all staff have been trained accordingly, with refresher training delivered during 2023. Safeguarding incidents are rare and dealt with in accordance with local child protection and labour law.

We also have a qualified Educational Psychologist on the staff. This person is instrumental in providing support, guidance and relevant materials for teachers to support any child who may require remedial support and/or counselling. It is noteworthy that with this intervention, children who were previously considered by the schools to potentially have learning disabilities, were in fact often those who had simply struggled with the lack of individual attention in large classes. Our top-up teaching and remedial support has made a significant impact with such children, including the provision of smaller support classes in KHULA's dedicated remediation spaces.

Our Strategy and Programmes

KHULA is driven by the mission to reduce poverty in the local community by providing a high-quality education for all, focusing on the most under-served children. We contribute to this mission through four key programmes which, while modular, interact and bolster each other to produce a holistic package of support to the community. These four programmes are:

1. Early Childhood Development

We operate 3 pre-schools in Rorke's Drift, Isandlwana, and Amoibe, supporting 227 children. We are opening a fourth pre-school in Sigubudu in early 2024. We aim to nurture our young learners and prepare them for later formal education, thus contributing to SDG 4.2: *quality early childhood development and pre-primary education for all*. The programme includes teaching English to provide the children with exposure to English before joining Primary School and learning in English from Grade 4 onwards. 80% are fluent in English at the end of the two-year programme, and consistently rank in the highest 20% of learners graduating from Primary School.

2. Top-Up Teaching

Our Top-Up teaching targets English and Maths in eight local schools at Foundation, Intermediate, Senior and FET Phases. We offer extra classes, lesson support for teachers, after-school teaching and help through learning tools. We aim to reduce the impact that large class sizes, limited teacher training and teacher absenteeism have on both teachers and students. Additionally, we offer targeted support, such as WiFi and learning tools, to a total of 21 schools. At all stages, our learners show an increase in Maths and English scores; at senior level our interventions have been linked with an increase in English and Maths marks of more than 20 percent.

3. Job Skills and Life Readiness

KHULA supports high school pupils and graduates to improve their life skills and to find Further Education and employment opportunities, smoothing the transition beyond the school system. Support offered includes life skills workshops, access to resources, guidance in finding and applying to scholarships (including National Student Financial Aid Scholarship bursaries and the Madrinha scholarship), and guidance in finding and applying to learnerships and employment. In 2023, we provided services to more than 2,300 children and young adults including career orientation and guidance, assistance in accessing scholarships, learnerships and job opportunities and a range of life skills and job readiness trainings and programmes - including the ABE-endorsed KidsMBA and our young leaders project Ngilalele. This programme of activities also aims to support progress towards SDGs 4.3 and 4.4: *access to and the skills for tertiary education, vocational studies, employment and entrepreneurship*.

4. Educator Development.

As well as supporting local students, KHULA's approach includes an Educator Development Programme, designed to support local teachers within the Linked Schools system to develop their skills, strengthen their capacity, and form support networks. This includes mentorship, sponsoring networks, workshops, and technology solutions, all of which contribute towards SDG 4.c, *increasing the supply of qualified teachers*. The programme has reached 200 educators.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Our guiding principles

Across all of our areas of work, we put into practice the unique success factors that form our model of impact. These are:

1. Invest in the whole educational journey

Education is not a phase, but a lifelong pursuit. We don't narrow our focus to one stage of formal education, but support students from pre-school to matriculation, and beyond.

2. Be sustainable

We strive to be sustainable in where and how we work. The programmes we run are not short-term interventions but are designed to be sustained over time.

3. Be additive, not competitive

We work with the state school system to supplement the education it provides, working together for greater impact.

4. Drive towards outcomes

In everything we do, we are oriented by the outcomes we seek and are guided by finding the best path to impact.

5. Working with and for the community

We are deeply established in, and motivated by, the local community. This is essential to our success and impact.

6. Working through partnerships.

By working with others, we can maximise the impact of our resources and provide pathways for others to have a positive role in our community.

Each of our six principles is woven into our key programmes and into the KHULA mindset, and together they form the foundation of our successful, impactful, and sustainable model. Not only do we see impact on the ground stemming from our model of action, but we also are reassured by global studies that verify the importance of each of our principles.

Medium- and long-term strategy ambitions:

In line with our medium-term plans, from January 2023 we expanded our top-up teaching support programme to support a third cluster of schools. This cluster of schools will be supported with the construction of our fourth KHULA Isisekelo pre-school which will open during 2024. And, in support of SDGs 8.3 and 8.5, we are growing our Life Skills and Job Readiness programme for both in and out-of-school youth. In 2023 we trained 250 local young people in ICT and work readiness skills. We also broke ground on a rural skills hub in Sigubudu in 2023 and opened The Charles Aikenhead Skills Hub in Rorkes Drift in January 2024.

Financial review

Income:

The income can be broken down as follows

- Income from trusts and foundations continued to provide the base of our programmes with income reaching £161,963 (2022: £915,280). Restricted funding made up £71,762 (2022: £819,168) of this total.
- Unrestricted donations from supporters totalled £90,201 (2022: £96,112).

Expenditure:

Expenditure continued to be focused on our core programme work in South Africa and fundraising in the UK. Expenditure totalled £487,586 (2022: £387,876).

Restricted expenditure stood at £393,808 (2022: £379,562).

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

At the end of the year, the total funds balance stood at £296,299 (2022: £634,088) made up of restricted funds of £117,560 (2022: £439,606) and unrestricted funds of £178,739 (2022: £194,482). We believe that these allow the trust to maintain its current approach to meet our goals and provide the basis for future funding plans.

Reserve Policy

The Trustees have decided to adopt a low-risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of reserves in South African Rand. It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three to six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Foundation's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

At 5 April 2023, the total reserves of the Trust stood at £296,299 (2022: £634,088) of which £117,560 (2022: £439,606) were restricted funds set side for multi-year projects. This is above the Trustees' requirement however, given the extent to which these reserves are allocated to on-going programmes and as future donations cannot be predicted, the Trustees do not consider it necessary to amend the total reserves or revise the policy at this stage.

Risk Policy

The Trustees have given consideration to the main risks to which the trust is exposed and have satisfied themselves that systems, actions and procedures are in place to manage and mitigate those risks.

Governance - The Trustees meet formally, between two to three times a year, to review financial and operational performance. Detailed progress on projects that have received grants are reviewed at each Trustee meeting. Sub committees have been formed to oversee finance, strategy and fund-raising between meetings. These can also be fora for engagement with trustees of the Foundation in South Africa. As opportunities allow, there are UK trustee visits to the supported schools and projects funded by the UK. Significant efforts have been made to ensure GDPR compliance, and to mitigate any associated risks.

Currency Risk - The trustees have decided to adopt a low-risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of assets in local currency.

Financial Risk - We operate a dual signature regime on all bank accounts. Expenditure, future commitments and bank balances are reviewed at trustee meetings. Private donations are made either via an approved internet intermediary (such as Just Giving) or directly to the Trust's bank account. Despite being a small charity, our accounts are audited annually.

Future Sustainability - The Trustees have continued to invest in fundraising support to secure the long-term nature of the organisation. Support is primarily used to approach major foundations for grants for specific projects and to ensure all grants and investments are against defined projects which have discrete and measurable outcomes. There are very good relations with known donors. Records of donors have been formalised, and there is regular contact with past and current donors/funders to support continuing and regular flow of funds.

Grants not applied to a specific project - We work in a specific area and grants are made only to support the work and running of the Foundation in South Africa. The Chairman of the Trustees is also a trustee of this Foundation and makes regular visits to South Africa. He conducts onsite inspections of all projects and meets with the other trustees and officers of the Foundation in South Africa.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

The Trusts' Objectives

To advance education and raise awareness about different racial groups in order to promote good relations between persons of different racial groups by promoting knowledge and mutual understanding with particular reference to South Africa and its historical context;

To advance the education of young people in the United Kingdom in the subject of racial reconciliation with particular reference to South Africa and its historical context;

To promote sustainable development for the benefit of the public by:

(a) the preservation, conservation and protection of the environment and the prudent use of resources in southern Africa and

(b) the relief of poverty and the improvement of the conditions of life of socially disadvantaged communities in southern Africa particularly in the areas of education and health.

Trustee Selection & Training

The trustees are appointed by resolution of the remaining trustees for a term of three years. Trustees can serve for additional periods, each period being for three years. New trustees are nominated by members of the board of trustees who appoint the new trustee if they have the necessary skills to contribute to the Trust's management and development. Where new trustees are appointed, they are given a formal induction to the work of the Trust and provided with the information they need to fulfil their roles, which includes information about the role of trustees and charity law.

Public Benefit

The objects and purpose of the Trust are set out above. The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting grant making policy for the year.

Management

During the year ended 5th April 2023, the trustees met on three occasions. The trust employs one staff member in the UK; other activities are carried out either by the trustees who receive no salary or expenses or by engaging on a consultancy basis suitable and experienced support.

L Bridges

B Carroll (resigned 17/10/2023)

P Hollingum

M Kentridge

G Klintworth

H Loyd

F Meyerwitz Singh (appointed on 27/06/2023)

R Neville

M O'Byrne

T O'Malley

N Virr

R Woodhead

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board of Trustees

TK O'Malley

Trustee

Dated: 5 February 2024

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

I report to the Trustees on my examination of the financial statements of David Rattray Foundation (known as Khula Education) (the trust) for the year ended 5 April 2023.

Responsibilities and basis of report

As the Trustees of the trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Caroline Brazier (ACA DCHA)
for and on behalf of SKS Audit LLP

3 Sheen Road
Richmond Upon Thames
TW9 1AD

Dated: 5 February 2024

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	2	90,075	71,762	161,837	915,276
Investments	3	126	-	126	4
Total income		90,201	71,762	161,963	915,280
Expenditure on:					
Raising funds	4	7,498	-	7,498	17,343
Charitable activities	5	86,280	393,808	480,088	370,533
Total expenditure		93,778	393,808	487,586	387,876
Net (outgoing)/incoming resources		(3,577)	(322,046)	(325,623)	527,404
Other recognised gains and losses					
Profit/(loss) on foreign exchange		(12,166)	-	(12,166)	(3,663)
Net movement in funds		(15,743)	(322,046)	(337,789)	523,741
Fund balances at 6 April 2022		194,482	439,606	634,088	110,347
Fund balances at 5 April 2023		178,739	117,560	296,299	634,088

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

BALANCE SHEET

AS AT 5 APRIL 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	9		-		129,236
Cash at bank and in hand			310,309		516,314
			<u>310,309</u>		<u>645,550</u>
Creditors: amounts falling due within one year	10		14,010		11,462
			<u>296,299</u>		<u>634,088</u>
Net current assets					
Total assets less current liabilities			<u>296,299</u>		<u>634,088</u>
Income funds					
Restricted funds	11		117,560		439,606
Unrestricted funds			178,739		194,482
			<u>296,299</u>		<u>634,088</u>

The financial statements were approved by the Trustees on 5 February 2024

TK O'Malley
Trustee

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	16		(206,131)		402,481
Investing activities					
Investment income received		126		4	
Net cash generated from investing activities			126		4
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(206,005)		402,485
Cash and cash equivalents at beginning of year			516,314		113,829
Cash and cash equivalents at end of year			310,309		516,314

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

Company information

David Rattray Foundation is a Trust registered in England and Wales. The principal address of the Trust is given on the charity information page. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

1.1 Accounting convention

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is more likely than not. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

(Continued)

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be recovered. Costs of Charitable Activities include those costs which meet the objectives of the Trust. Governance costs are those incurred in meeting the statutory requirements of running the Trust and are included in costs of charitable activities.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange of the most recent transfer from the sterling bank accounts. Exchange differences are taken into account in arriving at the surplus or deficit.

1.8 Grants

Grants are treated as expenditure when authorised by the Trustees and communicated to beneficiaries, not when the grants are paid.

1.9 Tax status

The Trust is a registered charity and therefore is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	90,075	71,762	161,837	84,122	701,918	786,040
Gift Aid Claim	-	-	-	11,986	117,250	129,236
	<u>90,075</u>	<u>71,762</u>	<u>161,837</u>	<u>96,108</u>	<u>819,168</u>	<u>915,276</u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

3 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	126	4

4 Raising funds

	Unrestricted funds	Restricted funds	Total	Total
	£	£	2023	2022
			£	£
<u>Fundraising and publicity</u>				
Charity development	7,498	-	7,498	17,343
	<u>7,498</u>	<u>-</u>	<u>7,498</u>	<u>17,343</u>

5 Charitable activities

	2023	2022
	£	£
Staff costs	63,581	68,368
Charity expenditure	405,862	295,448
Just giving fees	1,094	906
Website costs	2,132	1,025
Audit fees	4,598	2,820
Accountancy fees	2,360	1,590
Bank charges	461	376
	<u>480,088</u>	<u>370,533</u>
Analysis by fund		
Unrestricted funds	86,280	8,314
Restricted funds	393,808	362,219
	<u>480,088</u>	<u>370,533</u>

6 Trustees

The Trustees are considered key management of the charity. None of the Trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year (2022: None).

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

7 Employees

Number of employees

2023 Number	2022 Number
1	1
1	1

Employment costs

2023 £	2022 £
-----------	-----------

Wages and salaries

63,581	68,368
63,581	68,368

There was one employee whose annual remuneration was £60,000 or more.

8 Other gains or losses

Total 2023 £	Total 2022 £
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Foreign exchange gains/(losses)

(12,166)	(3,663)
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9 Debtors

Amounts falling due within one year:

2023 £	2022 £
-----------	-----------

Gift Aid Claim Recoverable

-	129,236
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10 Creditors: amounts falling due within one year

2023 £	2022 £
-----------	-----------

Accruals and deferred income

10,440	7,892
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Other creditors

2,793	2,793
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Other taxation and social security

777	777
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14,010	11,462
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DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 5 April 2023
	Balance at 6 April 2022	Income for the year	Expenditure for the year	
	£	£	£	£
Education programme costs	439,606	71,762	(393,808)	117,560
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The charity has the following restricted funds:

Education programme costs: For the purpose of the general running costs of the pre-schools, top-up teaching and other education programmes.

12 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 5 April 2023 are represented by:						
Current assets/(liabilities)	178,739	117,560	296,299	194,482	439,606	634,088
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	178,739	117,560	296,299	194,482	439,606	634,088
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DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

14 Movement in Funds

	At 06/04/2022	Net Movement in Transfer Between		At 05/04/2023
	£	Funds	Funds	£
Unrestricted Funds				
General Funds	194,482	(15,743)	-	178,739
Restricted Funds				
Education programme costs	439,606	(322,046)	-	117,560
Total Restricted fund	-	(322,046)	-	-
Total Funds	634,088	(337,789)	-	296,299

Movement in Funds - Prior Year

	At 06/04/2021	Net Movement in Transfer Between		At 05/04/2022
	£	Funds	Funds	£
Unrestricted Funds				
General Funds	110,347	84,135	-	194,482
Restricted Funds				
Education programme costs	-	439,606	-	439,606
Total Restricted fund	-	439,606	-	-
Total Funds	110,347	523,741	-	634,088

14 Related party transactions

There were no disclosable related party transactions during the year (2022 : Nil).

There was no expenditure paid to related parties for the year ended 5 April 2023 for charitable activities (2022: Nil).

15 Analysis of changes in net funds

The trust had no debt during the year.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

16	Cash generated from operations	2023 £	2022 £
	(Deficit)/surplus for the year	(325,623)	527,404
	Adjustments for:		
	Investment income recognised in statement of financial activities	(126)	(4)
	Foreign exchange differences	(12,166)	(3,663)
	Movements in working capital:		
	Decrease/(increase) in debtors	129,236	(129,236)
	Increase in creditors	2,548	7,980
	Cash (absorbed by)/generated from operations	(206,131)	402,481

David Rattray Foundation

England & Wales - Charity number 1119353

Accounts

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

L Bridges
B Carroll
P Hollingum
M Kentridge
G Klintworth
H Loyd
T Makgatho
M O'Byrne
T O'Malley
N Virr
R Woodhead

Charity number

1119353

Principal address

26 Gosfield Street
London
W1W 6HH

Independent examiner

Cansdales Audit LLP
St Mary's Court
The Broadway
Old Amersham
Bucks
HP7 0UT

Bankers

HSBC Bank plc
The Peak
333 Vauxhall Bridge Road
London
SW1V 1EJ

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

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DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2022

The Trustees present their report and financial statements for the year ended 5 April 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The David Rattray Foundation, locally operating as KHULA Education, was established in 2007. Honouring David Rattray's legacy, KHULA is deeply committed to improving the quality of education in the KwaZulu-Natal region of South Africa and mobilising education as a pathway to community empowerment and alleviating poverty in one of the most marginalised areas of South Africa.

Our Vision

That all children, regardless of their socio-economic, cultural background or location are able to reach their potential and make a difference to their families and communities.

Our Mission

Our mission is to enable children from under-served (rural) communities in South Africa to obtain a high-quality education.

Our Goals

As KHULA has expanded both its footprint and work, we have aligned our agenda to Sustainable Development Goal (SDG) 4: *to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*. Our primary goals are:

1. Give children the chance to lift themselves out of their extremely disadvantaged background by working to improve educational facilities, standards and care for children.
2. Support the development of children by ensuring that they are not just educated sufficiently to pass a set of exams, but also effectively prepared for their adult lives. We believe that through improving their educational attainment, each child will be in a better position to improve their own life, achieve better standards of health, secure more satisfactory employment, and contribute more meaningfully to the life of their family, village, society and country.

Our Approach

Our current area of support is in the remote uMzinyathi district of rural KwaZulu-Natal. Our work in collaboration with our sister organisation, the David Rattray Foundation in South Africa, under the shared identity of KHULA Education.

Our activities span the historic battlefields of rural KwaZulu-Natal from Elandskraal, through Rorke's Drift to Nquthu and Isandlwana, some of the most isolated and marginalised areas in South Africa. This is a region of outstanding beauty and dramatic history, but these elements alone are no substitute for education.

In total, we support 21 under-resourced, local schools to address key educational needs, both infrastructural and academic, to achieve a measurable uplift in education levels and post-school employment. Through these schools our work impacts 6,000 students and 200 educators

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

Safeguarding

Safeguarding of children in the supported schools is our highest priority. Prior to onboarding, all staff of the David Rattray Foundation in South Africa are required to obtain a Sexual Offenders Register Clearance Certificate. In addition, all staff, volunteers and partners in South Africa are required to sign a 'Personal Commitment to Child Protection' Form. A Child Protection Policy has been implemented in all schools, and all staff have been trained accordingly, with refresher training delivered during 2022. Safeguarding incidents are rare and dealt with in accordance with local child protection and labour law.

We also have a qualified Educational Psychologist on the staff. This person is instrumental in providing support, guidance and relevant materials for teachers to support any child who may require remedial support and/or counselling. It is noteworthy that with this intervention, children who were previously considered by the schools to potentially have learning disabilities, were in fact often those who had simply struggled with the lack of individual attention in large classes. Our top-up teaching and remedial support has made a significant impact with such children, including the provision of smaller support classes in KHULA's dedicated remediation spaces.

Our Strategy and Programmes

KHULA is driven by the mission to reduce poverty in the local community by providing a high-quality education for all, focusing on the most under-served children. We contribute to this mission through four key programmes which, while modular, interact and bolster each other to produce a holistic package of support to the community. These four programmes are:

1. Early Childhood Development

We have established 3 pre-schools in Rorke's Drift, Isandlwana, and Amoibe, supporting 194 children. We aim to nurture our young learners and prepare them for later formal education, thus contributing to SDG 4.2: *quality early childhood development and pre-primary education for all*. The programme includes teaching English to provide the children with exposure to English before joining Primary School and learning in English from Grade 4 onwards. 80% are fluent in English at the end of the two-year programme, and consistently rank in the highest 20% of learners graduating from Primary School.

2. Top-Up Teaching

Our Top-Up teaching targets English and Maths in six local schools at Foundation, Intermediate, Senior and FET Phases. We offer extra classes, lesson support for teachers, after-school teaching and help through learning tools. We aim to reduce the impact that large class sizes, limited teacher training and teacher absenteeism have on both teachers and students. Additionally, we offer targeted support, such as WiFi and learning tools, to a further 12 schools. At all stages, our learners show an increase in Maths and English scores; at senior level our interventions have been linked with an increase in English and Maths marks of more than 20 percent.

3. Job Skills and Life Readiness

KHULA supports high school pupils and graduates to improve their life skills and to find Further Education and employment opportunities, smoothing the transition beyond the school system. Support offered includes life skills workshops, access to resources, guidance in finding and applying to scholarships (including National Student Financial Aid Scholarship bursaries and the Madrinha scholarship), and guidance in finding and applying to learnerships and employment. Through this, we have helped more than 200 out of school youths seek internship and further work opportunities and have successfully supported 15 Grade 12s to reach Madrinha scholarships. This programme of activities also aims to support progress towards SDGs 4.3 and 4.4: *access to and the skills for tertiary education, vocational studies, employment and entrepreneurship*.

4. Educator Development.

As well as supporting local students, KHULA's approach includes an Educator Development Programme, designed to support local teachers within the Linked Schools system to develop their skills, strengthen their capacity, and form support networks. This includes mentorship, sponsoring networks, workshops, and technology solutions, all of which contribute towards SDG 4.c, *increasing the supply of qualified teachers*. The programme has reached 200 educators.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

Our guiding principles

Across all of our areas of work, we put into practice the unique success factors that form our model of impact. These are:

1. Invest in the whole educational journey

Education is not a phase, but a lifelong pursuit. We don't narrow our focus to one stage of formal education, but support students from pre-school to matriculation, and beyond.

2. Be sustainable

We strive to be sustainable in where and how we work. The programmes we run are not short-term interventions but are designed to be sustained over time.

3. Be additive, not competitive

We work with the state school system to supplement the education it provides, working together for greater impact.

4. Drive towards outcomes

In everything we do, we are oriented by the outcomes we seek and are guided by finding the best path to impact.

5. Working with and for the community

We are deeply established in, and motivated by, the local community. This is essential to our success and impact.

6. Working through partnerships.

By working with others, we can maximise the impact of our resources and provide pathways for others to have a positive role in our community.

Each of our six principles is woven into our key programmes and into the KHULA mindset, and together they form the foundation of our successful, impactful, and sustainable model. Not only do we see impact on the ground stemming from our model of action, but we also are reassured by global studies that verify the importance of each of our principles.

During 2020-1, the trust and the Foundation in South Africa formed a strategy sub-committee to ensure our strategic plans were updated in the wake of the global pandemic and new funding streams. This committee has worked to define a short, medium and long-term strategy for the charity.

Medium- and long-term strategy ambitions:

In line with our medium-term plans, from January 2023, we have expanded our top-up teaching support programme to support a third cluster of schools. This cluster of schools will be supported with the construction of our fourth KHULA Isisekelo pre-school in 2023. And, in support of SDGs 8.3 and 8.5, we are growing our Life Skills and Job Readiness programme for both in and out-of-school youth, having hired a new Programme Manager to build the programme from January 2023.

Financial review

Income:

The income can be broken down as follows

- Income from trusts and foundations continued to provide the base of our programmes with income reaching £915,280 (2021: £217,723). Restricted funding made up £819,168 (2021: £113,370) of this total.
- Unrestricted donations from supporters totalled £96,112 (2021: £104,353).

Expenditure:

Expenditure continued to be focused on our core programme work in South Africa and fundraising in the UK. Expenditure totalled £387,876 (2021: £283,784) which included £295,448 (2021: £207,914) in South African Rand.

Restricted expenditure stood at £379,562 (2021: £223,565).

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

At the end of the year, the total funds balance stood at £634,088 (2021: £110,347) made up of restricted funds of £439,606 (2021: £Nil) and unrestricted funds of £194,482 (2021: £110,347). We believe that these allow the trust to maintain its current approach to meet our goals and provide the basis for future funding plans.

Reserve Policy

The Trustees have decided to adopt a low-risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of reserves in South African Rand. It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three to six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Foundation's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

At 5 April 2022, the total reserves of the Trust stood at £634,088 (2021: £110,347) of which £439,606 (2021: £Nil) are restricted funds. This is above the Trustees' requirement however, given the extent to which these reserves are allocated to on-going programmes and as future donations cannot be predicted, the Trustees do not consider it necessary to amend the total reserves or revise the policy at this stage.

Risk Policy

The Trustees have given consideration to the main risks to which the trust is exposed and have satisfied themselves that systems, actions and procedures are in place to manage and mitigate those risks.

Governance - The Trustees meet formally, between two to three times a year, to review financial and operational performance. Detailed progress on projects that have received grants are reviewed at each Trustee meeting. Sub committees have been formed to oversee finance, strategy and fund-raising between meetings. These can also be fora for engagement with trustees of the Foundation in South Africa. As opportunities allow, there are UK trustee visits to the supported schools and projects funded by the UK. Significant efforts have been made to ensure GDPR compliance, and to mitigate any associated risks.

Currency Risk - The trustees have decided to adopt a low-risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of assets in local currency.

Financial Risk - We operate a dual signature regime on all bank accounts. Expenditure, future commitments and bank balances are reviewed at trustee meetings. Private donations are made either via an approved internet intermediary (such as Just Giving) or directly to the Trust's bank account. Despite being a small charity, our accounts are audited annually.

Future Sustainability - The Trustees have continued to invest in fundraising support to secure the long-term nature of the organisation. Support is primarily used to approach major foundations for grants for specific projects and to ensure all grants and investments are against defined projects which have discrete and measurable outcomes. There are very good relations with known donors. Records of donors have been formalised, and there is regular contact with past and current donors/funders to support continuing and regular flow of funds.

Grants not applied to a specific project - We work in a specific area and grants are made only to support the work and running of the Foundation in South Africa. The Chairman of the Trustees is also a trustee of this Foundation and makes regular visits to South Africa. He conducts onsite inspections of all projects and meets with the other trustees and officers of the Foundation in South Africa.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

The Trusts' Objectives

To advance education and raise awareness about different racial groups in order to promote good relations between persons of different racial groups by promoting knowledge and mutual understanding with particular reference to South Africa and its historical context;

To advance the education of young people in the United Kingdom in the subject of racial reconciliation with particular reference to South Africa and its historical context;

To promote sustainable development for the benefit of the public by:

(a) the preservation, conservation and protection of the environment and the prudent use of resources in southern Africa and

(b) the relief of poverty and the improvement of the conditions of life of socially disadvantaged communities in southern Africa particularly in the areas of education and health.

Trustee Selection & Training

The trustees are appointed by resolution of the remaining trustees for a term of three years. Trustees can serve for additional periods, each period being for three years. New trustees are nominated by members of the board of trustees who appoint the new trustee if they have the necessary skills to contribute to the Trust's management and development. Where new trustees are appointed, they are given a formal induction to the work of the Trust and provided with the information they need to fulfil their roles, which includes information about the role of trustees and charity law.

Public Benefit

The objects and purpose of the Trust are set out above. The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting grant making policy for the year.

Management

During the year ended 5th April 2022, the trustees met on three occasions. The trust employs one staff member in the UK; other activities are carried out either by the trustees who receive no salary or expenses or by engaging on a consultancy basis suitable and experienced support.

L Bridges
B Carroll
P Hollingum
M Kentridge
G Klintworth
H Loyd
H Lloyd
T Makgatho
M O'Byrne
T O'Malley
N Virr
R Woodhead

(Resigned 21 February 2022)

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board of Trustees

TK O'Malley

Trustee

Dated: 4 February 2023

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

I report to the Trustees on my examination of the financial statements of David Rattray Foundation (known as Khula Education) (the trust) for the year ended 5 April 2022.

Responsibilities and basis of report

As the Trustees of the trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Cansdales

St Mary's Court
The Broadway
Amersham
Bucks
HP7 0UT

Dated: 5 February 2023

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 5 APRIL 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	2	96,108	819,168	915,276	217,346
Charitable activities	3	-	-	-	355
Investments	4	4	-	4	22
Total income		96,112	819,168	915,280	217,723
Expenditure on:					
Raising funds	5	-	17,343	17,343	11,267
Charitable activities	6	8,314	362,219	370,533	272,517
Total expenditure		8,314	379,562	387,876	283,784
Net incoming/(outgoing) resources		87,798	439,606	527,404	(66,061)
Other recognised gains and losses					
Profit/(loss) on foreign exchange		(3,663)	-	(3,663)	4,891
Net movement in funds		84,135	439,606	523,741	(61,170)
Fund balances at 6 April 2021		110,347	-	110,347	171,517
Fund balances at 5 April 2022		194,482	439,606	634,088	110,347

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

BALANCE SHEET

AS AT 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	10	129,236		-	
Cash at bank and in hand		516,314		113,829	
		645,550		113,829	
Creditors: amounts falling due within one year	11	11,462		3,482	
Net current assets		634,088		110,347	
Total assets less current liabilities		634,088		110,347	
Income funds					
Restricted funds	12	439,606		-	
Unrestricted funds		194,482		110,347	
		634,088		110,347	

The financial statements were approved by the Trustees on 4 February 2023

TK O'Malley
Trustee

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		402,481		(61,109)
Investing activities					
Investment income received		4		22	
Net cash generated from investing activities			4		22
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			402,485		(61,087)
Cash and cash equivalents at beginning of year			113,829		174,916
Cash and cash equivalents at end of year			516,314		113,829

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

1 Accounting policies

Company information

David Rattray Foundation is a Trust registered in England and Wales. The principal address of the Trust is given on the charity information page. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

1.1 Accounting convention

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is more likely than not. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

1 Accounting policies

(Continued)

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be recovered. Costs of Charitable Activities include those costs which meet the objectives of the Trust. Governance costs are those incurred in meeting the statutory requirements of running the Trust and are included in costs of charitable activities.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange of the most recent transfer from the sterling bank accounts. Exchange differences are taken into account in arriving at the surplus or deficit.

1.8 Grants

Grants are treated as expenditure when authorised by the Trustees and communicated to beneficiaries, not when the grants are paid.

1.9 Tax status

The Trust is a registered charity and therefore is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	84,122	701,918	786,040	103,976	113,370	217,346
Gift Aid Claim	11,986	117,250	129,236	-	-	-
	<u>96,108</u>	<u>819,168</u>	<u>915,276</u>	<u>103,976</u>	<u>113,370</u>	<u>217,346</u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

3 Charitable activities

	Charitable Income 2022 £	Charitable Income 2021 £
Other income	-	355
	<u> </u>	<u> </u>

4 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	4	22
	<u> </u>	<u> </u>

5 Raising funds

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<u>Fundraising and publicity</u>				
Charity development	-	17,343	17,343	2,152
Consultancy fees	-	-	-	9,115
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	17,343	17,343	11,267
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

6 Charitable activities

	2022 £	2021 £
Staff costs	68,368	7,444
Charity expenditure	295,448	223,565
Just giving fees	906	538
David Rattray Foundation donations	-	33,117
Website costs	1,025	3,371
Audit fees	2,820	2,681
Accountancy fees	1,590	1,490
Bank charges	376	311
	<u>370,533</u>	<u>272,517</u>
Analysis by fund		
Unrestricted funds	8,314	48,952
Restricted funds	<u>362,219</u>	<u>223,565</u>
	<u>370,533</u>	<u>272,517</u>

7 Trustees

The Trustees are considered key management of the charity. None of the Trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year (2021: None).

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

8 Employees

Number of employees

2022 Number	2021 Number
1	1
1	1

Employment costs

2022 £	2021 £
-----------	-----------

Wages and salaries

68,368	7,444
68,368	7,444

There was one employee whose annual remuneration was £60,000 or more.

9 Other gains or losses

Total 2022 £	Total 2021 £
--------------------	--------------------

Foreign exchange gains/(losses)

(3,663)	4,891
---------	-------

10 Debtors

2022 £	2021 £
-----------	-----------

Amounts falling due within one year:

Gift Aid Claim Recoverable

129,236	-
---------	---

11 Creditors: amounts falling due within one year

2022 £	2021 £
-----------	-----------

Other taxation and social security

777	-
-----	---

Other creditors

2,793	-
-------	---

Accruals and deferred income

7,892	3,482
11,462	3,482

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		
	Balance at 6 April 2021	Income for the year	Expenditure for the year
	£	£	£
Education programme costs	-	819,168	(379,562)
	<u> </u>	<u> </u>	<u> </u>
			439,606
			<u> </u>

The charity has the following restricted funds:

Education programme costs: For the purpose of the general running costs of the pre-schools, top-up teaching and other education programmes.

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 5 April 2022 are represented by:						
Current assets/(liabilities)	194,482	439,606	634,088	110,347	-	110,347
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	194,482	439,606	634,088	110,347	-	110,347
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

14 Movement in Funds

	At 06/04/2021 £	Net Movement in Funds £	Transfer Between Funds £	At 05/04/2022 £
Unrestricted Funds				
General Funds	110,347	84,135	-	194,482
Restricted Funds				
IT Education	-	-	-	-
Education programme costs	-	439,606	-	439,606
Pre-school capital costs	-	-	-	-
	<u>-</u>	<u>439,606</u>	<u>-</u>	<u>-</u>
Total Restricted fund	-	439,606	-	-
	<u>-</u>	<u>439,606</u>	<u>-</u>	<u>-</u>
Total Funds	110,347	523,741	-	634,088
	<u>110,347</u>	<u>523,741</u>	<u>-</u>	<u>634,088</u>

Movement in Funds - Prior Year

	At 06/04/2020 £	Net Movement in Funds £	Transfer Between Funds £	At 05/04/2021 £
Unrestricted Funds				
General Funds	171,517	49,025	(110,195)	110,347
Restricted Funds				
IT Education	-	-	-	-
Education programme costs	-	(110,195)	110,195	-
Pre-school capital costs	-	-	-	-
	<u>-</u>	<u>(110,195)</u>	<u>110,195</u>	<u>-</u>
Total Restricted fund	-	(110,195)	110,195	-
	<u>-</u>	<u>(110,195)</u>	<u>110,195</u>	<u>-</u>
Total Funds	171,517	(61,170)	-	110,347
	<u>171,517</u>	<u>(61,170)</u>	<u>-</u>	<u>110,347</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2021 : Nil).

There was no expenditure paid to related parties for the year ended 5 April 2022 for charitable activities (2021: Nil).

16 Analysis of changes in net funds

The trust had no debt during the year.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

17	Cash generated from operations	2022 £	2021 £
	Surplus/(deficit) for the year	527,404	(66,061)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(4)	(22)
	Foreign exchange differences	(3,663)	4,891
	Movements in working capital:		
	(Increase) in debtors	(129,236)	-
	Increase in creditors	7,980	83
	Cash generated from/(absorbed by) operations	402,481	(61,109)

Accounts

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)
TRUSTEES' REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

B Carroll	
G Klintworth	
H Loyd	
H Lloyd	
T O'Malley	
R Woodhead	
R Kugler	(Resigned on 08.04.2020)
L Bridges	(Appointed on 26.02.21)
M Kentridge	(Appointed on 26.02.21)
T Makgatho	(Appointed on 26.02.21)
M O'Byrne	(Appointed on 26.02.21)
N Virr	(Appointed on 26.02.21)

Charity number

1119353

Principal address

26 Gosfield Street
London
W1W 6HH

Auditor

Cansdales Audit LLP
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Bankers

HSBC Bank plc
The Peak
333 Vauxhall Bridge Road
London
SW1V 1EJ

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

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DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their report and financial statements for the year ended 5 April 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Objectives and activities

The David Rattray Foundation, locally operating as KHULA Education, was established in 2007. Honouring David Rattray's legacy, KHULA is deeply committed to improving the quality of education in the KwaZulu-Natal region of South Africa and mobilising education as a pathway to community empowerment and alleviating poverty in one of the most marginalised areas of South Africa.

Our Vision

That all children, regardless of their socio-economic, cultural background or location are able to reach their potential and make a difference to their families and communities.

Our Mission

Our mission is to enable children from under-served (rural) communities in South Africa to obtain a high-quality education.

Our Goals

As KHULA has expanded both its footprint and work, we have aligned our agenda to Sustainable Development Goal (SDG) 4: *to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*. Our primary goals are:

1. Give children the chance to lift themselves out of their extremely disadvantaged background by working to improve educational facilities, standards and care for children.
2. Support the development of children by ensuring that they are not just educated sufficiently to pass a set of exams, but also effectively prepared for their adult lives. We believe that through improving their educational attainment, each child will be in a better position to improve their own life, achieve better standards of health, secure more satisfactory employment, and contribute more meaningfully to the life of their family, village, society and country.

Our Scope

Our current area of support is in the remote uMzinyathi district in South Africa. Our work in this area is a collaboration with our sister organisation, the David Rattray Foundation (the Foundation in South Africa), under the shared identity of KHULA Education. Our activities span the historic battlefields of rural KwaZulu-Natal from Elandskraal, through Rorke's Drift to Nquthu and Isandlwana, some of the most isolated and marginalised areas in South Africa. This is a region of outstanding beauty and dramatic history, but those elements alone are no substitute for education.

In total we are involved with 21 under-resourced, local schools to address key educational needs, both infrastructural and academic, to ensure a measurable uplift in education levels and post-school employment. Through these schools our work impacts 6,000 students and 200 educators.

Safeguarding

The Trust (and the Foundation in South Africa) have made safeguarding of children in the supported schools their highest priority. A Child Protection Policy has been implemented in all schools, and all staff have been accordingly trained. There have been no reportable incidents. We have added an educational psychologist to our staff to ensure we continue to update and prioritise safeguarding.

All staff are required to obtain a Sexual Offenders Register Clearance Certificate. Further, all staff, volunteers and partners are required to sign a "Personal Commitment to Child Protection" Form.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Our Strategy and Programmes

KHULA is driven by the mission to reduce poverty in the local community by providing a quality education for all, focusing on the most under-served children. We contribute to this mission through four key programmes which, while modular, interact and bolster each other to produce a holistic package of support to the community. These four programmes are:

1. Early Childhood Development

We established 3 pre-schools in Rorke's Drift, Isandlwana, and Amoibe, covering 180 children. We aim to nurture our young learners and prepare them for later formal education, thus contributing to SDG 4.2: *quality early childhood development and pre-primary education for all*. The programme includes teaching English to provide the children with the opportunity for exposure to English before joining Primary School and learning in English from Grade 4 onwards. 80% are fluent in English at the end of the two-year programme, and consistently rank in the highest 20% of learners graduating Primary School.

2. Top-Up Teaching

Our Top-Up teaching targets English and Maths in six local schools at Foundation, Intermediate, Senior and FET Phases. We offer extra classes, lesson support for teachers, after-school teaching and help through learning tools. We aim to reduce the impact that large class sizes, limited teacher training and teacher absenteeism have on both teachers and students. Additionally, we offer targeted support, such as WiFi and learning tools, to a further 12 schools. At all stages, our learners show an increase in Maths and English scores, at senior level our interventions have been shown to increase English and Maths marks by 20+%.

3. Job Skills and Life Readiness

KHULA supports high schoolers and graduates to improve their life skills and to find Further Education and employment opportunities, smoothing the transition beyond the school system. Support offered includes life skills workshops and camps, access to resources, guidance in finding and applying to scholarships (including NSFAS bursaries and the Madrinha scholarship), and guidance in finding and applying to learnerships and employment. Through this, we have helped 200 out of school youths seek internship opportunities and have successfully supported 15 Grade 12s to reach Madrinha scholarships. This programme of activities also aims to support progress towards SDGs 4.3 and 4.4: *access to and the skills for tertiary education, vocational studies, employment and entrepreneurship*.

4. Educator Development.

As well as supporting local students, KHULA's approach includes an Educator Development Programme, designed to support local teachers within the Linked Schools system to upskill, strengthen their capacity, and form support networks. This includes mentorship, sponsoring networks, workshops, and technology solutions, all of which contribute towards SDG 4.c, *increasing the supply of qualified teachers*. The programme has reached 200 educators, is connected into the local Department of Basic Education, and offers a network encompassing all 21 schools.

Our guiding principles

Across all of our areas of work, we put into practice the unique success factors that form our model of impact. These are:

1. Invest in the whole educational journey

Education is not a phase, but a lifelong pursuit. We don't narrow our focus to one stage of formal education, but support students from pre-school to matriculation, and beyond.

2. Be sustainable

We strive to be sustainable in where and how we work. The programmes we run are not short-term interventions but are designed to be sustained over time.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

3. Be additive, not competitive

We work with the state school system to supplement the education it provides, working together for greater impact.

4. Drive towards outcomes

In everything we do, we are oriented by the outcomes we seek and are guided by finding the best path to impact.

5. Working with and for the community

We are deeply established in, and motivated by, the local community. This is essential to our success and impact.

6. Working through partnerships.

By working with others, we can maximise the impact of our resources and provide pathways for others to have a positive role in our community.

Each of our six principles is woven into our key programmes and into the KHULA mindset, and together they form the foundation of our successful, impactful, and sustainable model. Not only do we see impact on the ground stemming from our model of action, but we also are reassured by global studies that verify the importance of each of our principles.

During 2020-1, the Trust (and the Foundation in South Africa) formed a strategy sub-committee to ensure our strategic plans were updated in the wake of the global pandemic and new funding streams. It has worked to define a short, medium and long-term strategy for the charity. We were fortunate that our main programmes already had funding for more than one year. With physical fund-raising events not possible, we worked with past donors and drew upon reserves to ensure that we could maintain our work at the same level, as well as developing relationships with potential new donors. We also had a successful appeal to fund 200 tablet computers for students facing matriculation exams having to work remotely. These efforts have borne fruit since the year-end with significant new donations to ensure that our work can continue to grow.

Alongside our current activities, we have new developments in 2022 and ambitions for the future that will strengthen our model and help us to have greater impact in our local community. We look forward to expanding our reach to more and more students, teachers, and families and to continuing to reduce poverty through quality education for all.

Short term strategy:

- We were joined in January 2022 by an intake of Teaching Assistants (TAs), as part of the Madrinha scholarship. They assist in Top-Up teaching of English and Maths, and bring their unique skills to offer Top-Ups in other subjects, including Physics and IT. This helps us increase our impact by reaching more students in more ways.
- From January 2022 we round out our top-up teaching programme with the addition of an intermediate phase, which fills in the current gaps in our top-up teaching program in grades 7-9, to further reach our goal of a consistent and sustainable offer from pre-school to further study or work.
- During the course of 2022, we are growing our ambitions for the Life Skills and Job Readiness programme. This could include:
 - A storytelling programme;
 - Kids MBA for Grade 8s;
 - Learnerships, job opportunities, and bursaries.

These innovations will be supported by dedicated staff and the addition of a central life skills resource centre in our next stage of development.

Medium- and Long-Term Strategy Ambitions:

- In the medium term, we plan to expand the number of schools covered by our existing clusters in the Linked Schools model. This is driven by our commitment to invest in the whole educational journey of our learners. By pulling more schools into the supported clusters, we are able to reach more students with our core programmes.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

- We aim to add a third cluster to the Linked Schools Model. This will involve establishing another pre-school, and connecting this with local Primary and Secondary Schools, so that we may expand our core support to a wider community and deepen our mission to provide quality education for all.
- Within this third cluster expansion we aim to build a multi-purpose entrepreneurship and vocational skills centre. If enacted, this would promote SDG 8.3, by championing *entrepreneurship* and supporting *micro- and small-enterprises*, as well as SDG 8.5, through aiming for *full and productive employment for all*.
- In the long term, KHULA hopes to identify a partner NGO in another region who is interested in replicating the KHULA model. We would help onboard and set up their operations and then act as a consultant/support system as they begin day to day operations.

For further information, please visit www.khula-education.org

Fundraising

In 2021 the charity decided to revise the role of Head of Philanthropy from a part time role to a full time one, in reaction to the additional challenges posed by the global pandemic, and to expand our funding sources to match our strategic ambitions for the future.

Over the year a number of new relationships have been developed with both individuals, Trusts and Foundations and with partner institutions. The charities fundraising sub-committee made up of Trustees from both the UK and South African charitable entities has helped to drive forward our fundraising strategy through identifying institutional giving organisations, organising events and approaching individuals interested in investing in rural education.

The charity has continued to diversify its fundraising approaches with online and offline events, digital campaigns and with new fundraising channels – including a commercial philanthropy initiative.

Increased resourcing and a more focused strategy have enabled us to reach a level of funding well above that seen in the last two years. This increase of funding is allowing us to expand our programming going into 2022 – offering an intermediate phase top-up teaching programme, and adding six graduate teaching fellows in partnership with The Madrinha Trust and Teach The Nation.

We are particularly grateful for the support provided by the Yad Mordechai Charitable Trust, Kirsh Foundation, Fondation Lily Safra and Andy Pegg who support our core programming and management.

Financial review

Overall expenditure was used to further the Trust's mission as outlined above, as well as fundraising activity aimed at securing income for future programmes.

Income:

The income can be broken down as follows

- Income from trusts and foundations continued to provide the base of our programmes with income reaching £217,723 (2020: £185,790). Restricted funding made up £113,370 (2020: £127,420) of this total.
- Unrestricted donations from supporters totalled £104,353 (2020: £58,370).

Expenditure:

Expenditure continued to be focused on our core programme work in South Africa and fundraising in the UK. Expenditure totalled £265,074 (2020: £209,470) which included £207,914 (2020: £165,873) in South African Rand.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

- Restricted expenditure stood at £223,565 (2020: £167,873).
- At the end of the year, the total funds balance stood at £110,347 (2020: £171,517) made up unrestricted funds of £110,347 (2020: £171,517). We believe that these allow the Trust to continue to maintain its current approach to meet our goals and provide the basis for funding future plans.

Reserve Policy

The Trustees have decided to adopt a low risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of assets in South African Rand. It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three to six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

At 5 April 2021, the total reserves of the Trust stood at £110,347 (2020: £171,517) . Total unrestricted funds of £110,347 are therefore above the Trustees' requirement. However, as future donations cannot be predicted, the Trustees do not consider it necessary to amend the total reserves or revise the policy at this stage.

Risk Policy

The Trustees have given consideration to the main risks to which the Trust is exposed and have satisfied themselves that systems, actions and procedures are in place to manage and mitigate those risks.

Governance - The Trustees meet formally, between two to three times a year, to review financial and operational performance. Detailed progress on projects that have received grants are reviewed at each Trustee meeting. UK trustee visits to the supported schools and on-site visits to projects funded by the UK have resumed. Significant efforts have been made to ensure GDPR compliance, and to mitigate any associated risks.

Currency Risk - The trustees have decided to adopt a low risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African Rand deposit bank account, to hold a proportion of assets in local currency.

Financial Risk - We operate a dual signature regime on all bank accounts. Expenditure, future commitments and bank balances are reviewed at trustee meetings. Private donations are made either via an approved internet intermediary (Just Giving or Virgin Giving) or directly to the Trust's bank account. Despite being a small charity, our accounts are audited annually.

Future Sustainability - The Trustees have continued to invest in fundraising support to secure the long-term nature of the organisation. Support is primarily used to approach major foundations for grants for specific projects and to ensure all grants and investments are against defined projects which have discrete and measurable outcomes. There are very good relations with known donors. Records of donors have been formalised, and there is regular contact with past and current donors/funders to support continuing and regular flow of funds.

Grants not applied to a specific project - We work in a specific area and grants are made only to support the work and running of the Foundation in South Africa. The Chairman of the Trustees is also a trustee of this Foundation and hopes to resume regular visits to South Africa after a gap during the pandemic. He has onsite inspections of all projects and meets with the other trustees and officers of the Foundation in South Africa.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

The Trusts' Objectives

To advance education and raise awareness about different racial groups in order to promote good relations between persons of different racial groups by promoting knowledge and mutual understanding with particular reference to South Africa and its historical context;

To advance the education of young people in the United Kingdom in the subject of racial reconciliation with particular reference to South Africa and its historical context;

To promote sustainable development for the benefit of the public by

(a) the preservation, conservation and protection of the environment and the prudent use of resources in southern Africa and

(b) the relief of poverty and the improvement of the conditions of life of socially disadvantaged communities in southern Africa particularly in the areas of education and health.

Trustee Selection & Training

The trustees are appointed by resolution of the remaining trustees for a term of three years. Trustees can serve for additional periods, each period being for three years. New trustees are nominated by members of the board of trustees who appoint the new trustee if they have the necessary skills to contribute to the Trust's management and development. Where new trustees are appointed, they are given a formal induction to the work of the Trust and provided with the information they need to fulfil their roles, which includes information about the role of trustees and charity law.

Public Benefit

The objects and purpose of the Trust are set out above. The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting grant making policy for the year.

Management

During the year ended 5th April 2021, the trustees met on three occasions. The Trust employs one staff member; other activities are carried out either by the trustees who receive no salary or expenses or by engaging on a consultancy basis suitable and experienced support.

B Carroll

G Klintworth

R Kugler

(Resigned 8 April 2020)

H Loyd

H Lloyd

T O'Malley

R Woodhead

L Bridges

(appointed on 26.02.21)

M Kentridge

(appointed on 26.02.21)

T Makgatho

(appointed on 26.02.21)

M O'Byrne

(appointed on 26.02.21)

N Virr

(appointed on 26.02.21)

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board of Trustees

TK O'Malley

Trustee

Dated: 31 January 2022

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Opinion

We have audited the financial statements of David Rattray Foundation (known as Khula Education) (the 'trust') for the year ended 5 April 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Use of Report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Cansdales Audit LLP

03 February 2022

Chartered Accountants

Statutory Auditor

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Cansdales is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	2	103,976	113,370	217,346	185,186
Charitable activities	3	355	-	355	500
Investments	4	22	-	22	104
Total income		104,353	113,370	217,723	185,790
Expenditure on:					
Raising funds	5	11,267	-	11,267	21,375
Charitable activities	6	48,952	223,565	272,517	209,471
Total expenditure		60,219	223,565	283,784	230,846
Net incoming/(outgoing) resources before transfers		44,134	(110,195)	(66,061)	(45,056)
Gross transfers between funds		(110,195)	110,195	-	-
Net expenditure for the year/ Net outgoing resources		(66,061)	-	(66,061)	(45,056)
Other recognised gains and losses					
Profit/(loss) on foreign exchange		4,891	-	4,891	(32,809)
Net movement in funds		(61,170)	-	(61,170)	(77,865)
Fund balances at 6 April 2020		171,517	-	171,517	249,382
Fund balances at 5 April 2021		110,347	-	110,347	171,517

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

BALANCE SHEET

AS AT 5 APRIL 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand			113,829		174,916
Creditors: amounts falling due within one year	10		(3,482)		3,399
Net current assets			110,347		171,517
Total assets less current liabilities			110,347		171,517
Income funds					
Unrestricted funds			110,347		171,517
			110,347		171,517

The financial statements were approved by the Trustees on 31 January 2022

TK O'Malley
Trustee

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

Company information

David Rattray Foundation is a Trust registered in England and Wales. The principal address of the Trust is given on the charity information page. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

1.1 Accounting convention

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is more likely than not. If the amount is not known, the legacy is treated as a contingent asset.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

1.5 Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be recovered. Costs of Charitable Activities include those costs which meet the objectives of the Trust. Governance costs are those incurred in meeting the statutory requirements of running the Trust and are included in costs of charitable activities.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange of the most recent transfer from the sterling bank accounts. Exchange differences are taken into account in arriving at the surplus or deficit.

1.8 Grants

Grants are treated as expenditure when authorised by the Trustees and communicated to beneficiaries, not when the grants are paid.

1.9 Tax status

The Trust is a registered charity and therefore is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.10 Funds accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	103,976	113,370	217,346	57,766	127,420	185,186

3 Charitable activities

	Charitable Income 2021 £	Charitable Income 2020 £
Other income	355	500

4 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	22	104

5 Raising funds

	Total 2021 £	Total 2020 £
<u>Fundraising and publicity</u>		
Charity development	2,152	4,220
Consultancy fees	9,115	17,155
	11,267	21,375

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

6 Charitable activities

	2021 £	2020 £
Staff costs	7,444	-
Charity expenditure	223,565	167,873
Just giving fees	538	248
David Rattray Foundation donations	33,117	34,313
Website costs	3,371	3,335
Audit fees	2,681	2,190
Accountancy fees	1,490	1,231
Bank charges	311	281
	<u>272,517</u>	<u>209,471</u>
Analysis by fund		
Unrestricted funds	48,952	41,598
Restricted funds	223,565	167,873
	<u>272,517</u>	<u>209,471</u>

7 Trustees

The Trustees are considered key management of the charity. None of the Trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year (2020: None).

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

8 Employees

Number of employees

2021 Number	2020 Number
1	-
1	-

Employment costs

2021 £	2020 £
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Wages and salaries

7,444	-
7,444	-

There were no employees whose annual remuneration was £60,000 or more.

9 Other gains or losses

Total 2021 £	Total 2020 £
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Foreign exchange gains/(losses)

4,891	(32,809)
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10 Creditors: amounts falling due within one year

2021 £	2020 £
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Accruals and deferred income

3,482	3,399
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DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 6 April 2020	Income for the year	Expenditure for the year	Transfers	Balance at 5 April 2021
	£	£	£	£	£
Pre-school running costs	-	113,370	(223,564)	110,194	-
	<u>-</u>	<u>113,370</u>	<u>(223,564)</u>	<u>110,194</u>	<u>-</u>
	-	113,370	(223,564)	110,194	-
	<u>-</u>	<u>113,370</u>	<u>(223,564)</u>	<u>110,194</u>	<u>-</u>

The charity has the following restricted funds:

Pre-schools running costs: For the purpose of the general running costs of the pre-schools.

12 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 5 April 2021 are represented by:						
Current assets/(liabilities)	110,347	-	110,347	171,517	-	171,517
	<u>110,347</u>	<u>-</u>	<u>110,347</u>	<u>171,517</u>	<u>-</u>	<u>171,517</u>

DAVID RATTRAY FOUNDATION (KNOWN AS KHULA EDUCATION)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Movement in Funds

	At 06.04.20 £	Net Movement in Funds £	Transfer Between Funds £	At 05.04.21 £
Unrestricted Funds				
General Funds	171,517	49,025	(110,195)	110,347
Restricted Funds				
IT Education	-	-	-	-
Pre-school running costs	-	(110,195)	110,195	-
Pre-school capital costs	-	-	-	-
	-	(110,195)	110,195	-
Total Funds	<u>171,517</u>	<u>(61,170)</u>	<u>-</u>	<u>110,347</u>

Movement in Funds - Prior Year

	At 06.04.19 £	Net Movement in Funds £	Transfer Between Funds £	At 05.04.20 £
Unrestricted Funds				
General Funds	224,459	(37,412)	(15,530)	171,517
Restricted Funds				
IT Education	22,874	865	(23,739)	-
Pre-school running costs	905	(41,318)	40,413	-
Pre-school capital costs	1,144	-	(1,144)	-
	24,923	(40,453)	15,530	-
Total Funds	<u>249,382</u>	<u>(77,865)</u>	<u>-</u>	<u>171,517</u>

14 Related party transactions

There were no disclosable related party transactions during the year (2020 : Donation of £2,750).

There was no expenditure paid to related parties for the year ended 5 April 2021 for charitable activities (2020: £970 paid to Paul Hollingum).

15 Analysis of changes in net funds

The trust had no debt during the year.