

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)

CONTENTS

	Page
Trustees' report	1 - 6
Independent auditor's report	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 21

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)

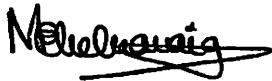
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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)