

Charity Registration No. 1141186

Company Registration No. 07337759 (England and Wales)

**THE EARTH EDUCATION PROJECT**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

# THE EARTH EDUCATION PROJECT

## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	Sophie Argles Andrea Paltzer Marianne Paltzer-Studer Carmen Romero von Banga
Secretary	Marianne Paltzer-Studer
Charity number	1141186
Company number	07337759
Registered office	Flat D 9 Bolton Gardens Old Brompton Road London SW5 0DG
Nicaragua Office	La Fabrica Coworking Plaza Portas Modulo 17 Managua Nicaragua
Independent examiner	Jeremy Berman FCA TC Group 76 New Cavendish Street London W1G 9TB

# THE EARTH EDUCATION PROJECT

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# THE EARTH EDUCATION PROJECT

## TRUSTEES' REPORT

***FOR THE YEAR ENDED 31 JULY 2020***

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The trustees, who are also directors of the charity for the purpose of the Companies Act 2006, present their report and accounts for the year-ended 31 July 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1, 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)".

### **Structure, governance and management**

#### Governing document

The Earth Education Project ("EEP") was incorporated on 5 August 2010 as a company limited by guarantee without share capital. It is governed by its Memorandum and Articles of Association as amended by Special Resolutions dated 24 March 2011. It gained registration as a charity on 6 April 2011.

#### The trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Sophie Argles  
Andrea Paltzer  
Marianne Paltzer-Studer  
Carmen Romero von Banga

#### Appointment of trustees

The management of the charity is the responsibility of the trustees. New trustees are appointed on the recommendation of existing trustees and are deemed to have appropriate experience and local knowledge for the role. There are no formal procedures for inducting new trustees; however, any new trustee appointed would be practically aware of the work undertaken by the charity and support is always provided by the founding trustees.

#### Beneficial interests of trustees

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

# THE EARTH EDUCATION PROJECT

## TRUSTEES' REPORT (CONTINUED)

***FOR THE YEAR ENDED 31 JULY 2020***

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### BOARD & STAFF INFORMATION

#### **TRUSTEES**

Sophie Argles  
Andrea Paltzer  
Marianne Paltzer-Studer  
Carmen Romero von Banga

Address: Nicaragua Office  
La Fabrica Coworking, Plaza Portas  
Modulo 17, Managua, Nicaragua

#### **EEP staff August 2019 – July 2020**

Andrea Paltzer – Founder & Country Director (Nicaragua)  
Ana Gonzalez – Project Coordinator  
Belinda Barquero – Psychologist  
Silvia Guido – Community Outreach  
Natasha Ortega - Communications

### **PARTNER ORGANISATIONS**

Below are some of our partner organisations who have offered important backing to EEP throughout 2019 - 2020.

- Eco Solidar, Switzerland
- Stiftung Saat, Switzerland
- Health Poverty Action, Nicaragua
- New Image, Nicaragua
- Ibex, Nicaragua
- Chureca Chic, Nicaragua
- Jose Bolanos, Coach de Lideres, Nicaragua

### **CORPORATE PARTNERS 2019 - 2020**

Local (Nicaraguan) corporate partners that supported the charity with funds and pro bono professional services

- Taboada y Asociados
- Plata Con Platica
- Zegesa

# THE EARTH EDUCATION PROJECT

## TRUSTEES' REPORT (CONTINUED)

***FOR THE YEAR ENDED 31 JULY 2020***

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### OBJECTIVES AND ACTIVITIES

#### CHARITY DESCRIPTION

The Earth Education Project (EEP) was founded in 2009 with the purpose of empowering disadvantaged women in Nicaragua to achieve financial and emotional independence. Last year we rebranded to XtraOrdinary Women, the name under which we work under towards the public. For legal purposes in the UK and Nicaragua the official name registered with the charity commissions is still Earth Education Project.

We work with extraordinary women between the ages of 18 - 55, living in marginalised areas, them and their families surviving on a total monthly income averaging \$60. They live in cycles of poverty and violence (physical, psychological and financial). Often they have not finished secondary school and have little or no work experience. They have started small informal businesses to make ends meet or are looking to get jobs. We support them with courses and psychosocial support that help them develop the practical and soft-skills they need to get a job or grow their small business.

We run 2 programs

1. XtraOrdinary Job skills Training: empowering women between the ages of 18 and 35 looking to transition into the workplace; often for the first time or after long periods of unemployment.
2. Bootcamp for XtraOrdinary Entrepreneurs: supporting base of the pyramid female entrepreneurs, between the ages of 18 - 55, sometimes older, to build sustainable and stable incomes with their informal businesses.

Both programs implement different training and learning processes in areas such as self-esteem, assertive communication, teamwork, conflict resolution, life planning and finance management. Aimed at the development of self-reflective actions that empower our beneficiaries with the tools they need to achieve financial and emotional independence and therefore be able to take the decisions to move away from poverty and violence.

We have a three-pronged approach to teaching: in groups, online and one-to-one. Women in disadvantage are struggling to make ends meet and they need more help than just a course. They need to have a support team behind them. That's us! We support our beneficiaries every step of the way. Our programmes are intense; they come with homework, meetings and one-to-one mentoring, but it works.

#### OUR PHILOSOPHY

We believe the right opportunity has the power to change a woman's life, and the lives around her. We know brighter, happier, self-sustaining futures are possible for women at risk.

#### MISSION

We empower women through skill training, psychosocial support and job placement programs.

#### VISION

To be the most recognized NGO in Central America serving women.

#### ACTIVITY SUMMARY

2020 was a year in which, despite the many national and global challenges, we managed to adapt our model to changing realities and continue adding life-changing value to our communities. We are committed to providing women in disadvantage in Nicaragua with the right education and guidance to become financially independent and build brighter futures, away from violence and poverty.

This year, we supported 170 women with cost free programmes, making this, our 10th year, the one that we also now reached over 1000 women. Connecting them with jobs and stable income opportunities. In turn, this has seen over 5000 people impacted with their mother, wife, daughter, sister, becoming financially independent, meaning there is food on the table, and access to education. These women broke the cycle of poverty with the tools and opportunities they gained through our programmes. Today 90% of these women remain in stable employment despite the recent socio-economic and health crisis.

# THE EARTH EDUCATION PROJECT

## TRUSTEES' REPORT (CONTINUED)

### ***FOR THE YEAR ENDED 31 JULY 2020***

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As we look forward it is not without its challenges but, we are excited for the future. We aim to scale our organization and grow from local to regional. We are looking for philanthropic partners to help us roll out across the region and we hope you will join us on this journey. On our website [www.xtraordinary.org](http://www.xtraordinary.org) in the reports section, we share with you our vision and strategy for the future.

Thank you on behalf of the team, our beneficiaries and their families,

#### **Impact of Covid-19 on the Charity and how the charity is dealing with this pandemic.**

The pandemic disrupted every social sphere - world economy, personal finance, labour force, social interactions, etc. Private companies, institutions and organizations had to face a new reality that unexpectedly imposed new rules and conditions in working environments.

Faced with this new reality in which the dynamics of on-site work were forced to migrate to digital spaces, XtraOrdinary Women (XOW) began to work from home on March 14th. Meeting in the office only on the occasions that were essential. On such occasions we took all necessary precautions to ensure the health and safety of our team and their families. The remainder of the time we coordinated via online meetings and carried out community "visits" via video calls, WhatsApp messages and SMS.

We focused our efforts on transforming our in-person methodology of our Bootcamp into a fully digital course; our online Bootcamp. We analysed the pros and cons of the different platforms that could be used to broadcast the training sessions. Such as ZOOM, Facebook and Google Meet. Among the criteria we used for the analysis of these platforms are:

Ease of use of the platform by potential participants  
Ease of access to it by potential participants

We settled on using Facebook and WhatsApp and started to organize and adapt the course material to these two spaces both for the teaching and for the follow-up sessions

We took into consideration the following:

- Our target group are women with extremely limited resources, who do not have computer equipment,
- A mobile phone is the most accessible "tool" they have
- Purchasing a mobile phone data package gives you access to the Internet. Prices start at USD\$1.
- Most data packages in Nicaragua include free access to Facebook and WhatsApp including the USD\$1 package.

#### **'BOOTCAMP FOR XTRAORDINARY ENTREPRENEURS'**

The following link takes you to the online learning platform that we built.

<https://www.facebook.com/groups/BootcampdeEmprendimiento/>

The initial classes were filmed live to be able to interact with the beneficiaries and build confidence and trust between the beneficiaries and the XOW team. The rest of the classes we filmed prior to streaming them. We streamed each class live at the same time daily, meaning we were able to interact live with them on chat. If they could not tune in to the class, they are available to watch again at any time, as the videos stayed on the platform.

After each class, the class summary was uploaded to the Facebook study group and sent via WhatsApp to each participant together with the homework instructions worksheets and manuals. All were sent in JPEG format to be easy to download as our beneficiaries do not have programmes/apps installed to read PDFs or Word documents on their phones. JPEGs also take up less space on their devices.

Click the link for an example of student manual:

<https://drive.google.com/file/d/1y-z71j1y7nLLmOmhKRCUmeMFBTW0o0kL/view?usp=sharing>

The students were divided into "study" groups on WhatsApp, arranged by "business type". This way we could do follow-up sessions with each group for the homework and answer any questions they may have. This enabled us to help a specific group at a time with examples related to products that they sell.

# THE EARTH EDUCATION PROJECT

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2020**

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### GRADUATION:

Click the link to see the video of our graduation which includes some of the entrepreneurs 1-minute pitches

<https://youtu.be/zQkhBe1CSko>

At the end of the course each participant was provided with a personalised evaluation and plan for her next steps; in terms of what areas we would be providing her with personalised mentoring and support via the follow-up sessions.

Please click the link for an example of a participant's personalised evaluation and follow up plan:

[https://docs.google.com/document/d/1As6HNDRCsLwU5X-CvyUTRWRhHuduqsBR\\_v4y\\_cmpbow/edit?usp=sharing](https://docs.google.com/document/d/1As6HNDRCsLwU5X-CvyUTRWRhHuduqsBR_v4y_cmpbow/edit?usp=sharing)

### BOOTCAMP IMPACT IN NUMBERS

60 women entrepreneurs graduated with a business plan.  
130+ hours of training in finance, business, marketing and sales.  
6 months rounds of visits and follow-up with psychologist.  
100% of graduates with business and sales plans.  
85% now take home a monthly salary

BOOTCAMP IMPACT	PRE-TEST Bootcamp	POS-TEST Bootcamp
% of participants WITH salaries	16%	75%
% with CORRECT cost structures	16%	75%
% of participants WITH a business plan	0%	48%
% of participants WITH social media for business	45%	74%
% of participants WITH logo	54%	74%
% of participants WITH sales plans and sales plans	0%	46%

### XTRAORDINARY JOB SKILLS TRAINING:

Due to the global health crisis, the activities scheduled for this course "XtraOrdinary Job Training" were suspended in light of the fact that this is a presential course, due to its heavy psychosocial component. The work plan was evaluated and modified with the team of XtraOrdinary Womrn working from home.

The unemployment rate in Nicaragua was increasing due to the impact of the pandemic; therefore, we began to follow up on the graduates of previous years who had lost their jobs due to the health crisis. We established a fluid communication of support with them to assist them in updating their documents for their job search and when it was relatively safe, we returned to give face-to-face talks; focusing for the last quarter to provide informative and practical workshops on how to look for jobs online.



# THE EARTH EDUCATION PROJECT

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2020**

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### **JOB SKILLS TRAINING IMPACT IN NUMBERS**

40 families with job placement follow-up, job search and health crisis support from COVID-19

38% with new jobs

94% with job interviews

93% with updated police and health records

100% of the beneficiaries with updated CVs and trained to do it themselves in the future.

15 hours of workshops for online job search orientation and CV updating

### **XTRAORDINARY TALENT PLATFORM**

Together with the entrepreneurs we created material to promote their business on our social media platforms and website. We also continued to update the information on the Facebook learning platform with useful tools and information on business networks. Providing the beneficiaries with up-to-date opportunities for them to increase their sales channels and form beneficial alliances.

Click on the link to watch the videos made for our social media to promote the businesses and the platform itself:

[https://drive.google.com/drive/folders/1ECbPjYXgOEiYVp\\_rgfeXaFUWPS87WwwS?usp=sharing](https://drive.google.com/drive/folders/1ECbPjYXgOEiYVp_rgfeXaFUWPS87WwwS?usp=sharing)

### **IMPACT: By the end of the 2021 - 2023 period.**

- The full e-learning curriculum and follow-up hybrid methodology (online and offline) will be implemented in more than 3 countries
- We will have created and implemented a pilot program for an application to manage individual online learning and personalized follow-up for each beneficiary
- The platform will include a marketplace (providing marketing and transportation logistics) and a representative promoting the products to businesses, as well as the B2C model.
- Entrepreneurs will have access to small loans funded by donors.
- We will promote and match job seekers with employers and employment opportunities in over 3 countries.
- The "pay it forward" graduate program will be in its first full year.
- 3 annual campaigns will have been conducted to promote the courses, the employment platform, the marketplace and the empowerment of financially and emotionally independent women.
- Partnerships will have been established to implement face-to-face vocational training (tourism, catering, IT) by 2024.
- Alternative revenue streams (through the market and the "pay it forward" program) will be available to the NGO to complement donor support.
- Local government will endorse and partner with the courses
- A network of mentors to support Bootcamp graduates through online meetings (and in-person events, if possible)
- Regional telecommunications partners to sponsor online access to the platform for women during the course
- NGO with teams in each country where the program is active, centralized in Nicaragua.

# THE EARTH EDUCATION PROJECT

## TRUSTEES' REPORT

***FOR THE YEAR ENDED 31 JULY 2020***

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### **Financial review**

The financial activities of the EEP have resulted in deficit of £1,403 (2019: surplus of £1,036) for the year. This has resulted in the charity holding a total deficit of £2,325 (2019: deficit £922) in unrestricted funds at the year-end.

During the year donations were received by the charity, and donations were made in furtherance of the charity's objects.

The financial results for the year ended 31 July 2020 are set out on pages 9 to 17.

The charity will continue with its current operations into the next year

### **Reserves policy**

The trustees have formally adopted a reserves policy. This recognises that the income of the charity does not arise evenly year on year and so to enable the charity to plan its activities it is prudent to hold reserves.

It is the policy of the charity that unrestricted reserves should be held at a minimum level. Unrestricted reserves as at the balance sheet date amount to £2,325 deficit (2019: deficit £922). The trustees are confident that the balance on the unrestricted funds will become positive again this current period.

### **Risk management**

The major risks to which the charity is exposed, as identified by the trustees, are and will continue to be regularly reviewed, and systems have been and will be established, and where appropriate, professional advisors have been or will be appointed to mitigate those risks.

The trustees report was approved by the Board of Trustees.



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**Andrea Paltzer**  
**Director**

**Dated: 28 April 2021**

# THE EARTH EDUCATION PROJECT

## INDEPENDENT EXAMINER'S REPORT

***FOR THE YEAR ENDED 31 JULY 2020***

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I report to the trustees on my examination of the financial statements of The Earth Education Project (the charity) for the year ended 31 July 2020.

### **Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (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**

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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

**Jeremy Berman FCA**

76 New Cavendish Street  
London  
W1G 9TB

Dated: .....

# THE EARTH EDUCATION PROJECT

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 JULY 2020**

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		<b>Unrestricted funds</b>	
		<b>2020</b>	<b>2019</b>
	<b>Notes</b>		
<b><u>Income from:</u></b>			
Donations and legacies	3	<b>36,020</b>	58,220
<b><u>Expenditure on:</u></b>			
Raising funds	4	-	(4,638)
Charitable activities	4	<b>(37,423)</b>	(52,546)
<b>Total resources expended</b>		<b>(37,423)</b>	(57,184)
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>(1,403)</b>	1,036
Fund balances as at 1 August 2019		<b>(922)</b>	(1,958)
<b>Fund balances at 31 July 2020</b>		<b>(2,325)</b>	(922)

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE EARTH EDUCATION PROJECT

## STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	9		1		1
<b>Current assets</b>					
Debtors	10	3,002		3,002	
Cash at bank and in hand		1,404		2,419	
		<u>4,406</u>		<u>5,421</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(6,732)</u>		<u>(6,344)</u>	
Net current liabilities			<u>(2,326)</u>		<u>(923)</u>
<b>Total assets less current liabilities</b>			<u>(2,325)</u>		<u>(922)</u>
<b>Income funds</b>					
Unrestricted funds	12		<u>(2,325)</u>		<u>(922)</u>
			<u>(2,325)</u>		<u>(922)</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees on 28 April 2021.



**Andrea Paltzer**  
Trustee

**Company Registration No. 07337759**

# THE EARTH EDUCATION PROJECT

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 JULY 2020**

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### **Accounting policies**

#### **Charity information**

The Earth Education Project is a private limited Company, limited by guarantee without share capital, incorporated in England and Wales. Its registered office is Flat D , 9 Bolton Gardens , Old Brompton Road, London, SW5 0DG.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provision in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. 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 charity 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 donations and other incoming resources receivable or generated from the objects of the charity without further specific purposes and can be used at the discretion of the trustees.

#### **1.4 Incoming resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity 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 charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# THE EARTH EDUCATION PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2020**

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### **1 Accounting policies**

#### **1.5 Expenditure**

Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs 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 includes attributable VAT which cannot be recovered.

#### **1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### **1.7 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### **1.8 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.

#### **1.9 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# THE EARTH EDUCATION PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 1 Accounting policies

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	2020 £	2019 £
Donations and gifts	36,020	58,220
<b>Donations and gifts</b>		
Unrestricted funds:		
Fundraising events	19	-
Foundations	11,388	5,870
Private donations	24,613	52,350
	36,020	58,220



# THE EARTH EDUCATION PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 4 Total resources expended

	Staff costs £	Other costs £	Total 2020 £	Total 2019 £
Raising funds	-	-	-	4,638
<u>Operations in Nicaragua</u>				
Activities undertaken directly	21,560	14,356	35,916	39,646
Support costs		1,507	1,507	12,900
Total	21,560	15,863	37,423	52,546
	<u>21,560</u>	<u>15,863</u>	<u>37,423</u>	<u>57,184</u>

### 5 Activities undertaken directly

	2020	2019
	£	£
Bootcamp charitable activity	3,320	-
Job skills training	3,575	-
Rent	640	6,421
Property running costs	133	3,102
Property repairs and security costs	58	950
Telephone & Internet	50	272
Bank charges	125	51
General administrative expenses	758	1,323
Advertising and promotion	34	5,903
Travelling expenses	3,303	75
Website and associated costs	519	-
Consultancy fees	1,841	1,962
	<u>14,356</u>	<u>20,059</u>

**THE EARTH EDUCATION PROJECT**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

**6 Support costs**

	<b>2020</b>	2019
	£	£
Accountancy	<b>1,058</b>	3,863
Depreciation	-	487
Foreign exchange loss	<b>449</b>	8,550
	<b>1,507</b>	12,900

Fees payable to the accountants for other services:

	<b>2020</b>	2019
	£	£
Independent examination (UK) and Nicaragua	<b>3,060</b>	3,060
	<b>3,060</b>	3,060

**7 Trustees**

None of the trustees (or persons connected with them) received any remuneration or benefits from the charity during the current year or the previous year.

In addition, none of the trustees (or persons connected with them) received any reimbursed expenses from the charity during the current year or the previous year.

**8 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2020</b>	2019
	Number	Number
Direct charitable work	<b>5</b>	5

**Employment costs**

	<b>2020</b>	2019
	£	£
Wages and salaries	<b>21,560</b>	19,587

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

**THE EARTH EDUCATION PROJECT**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

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**9 Tangible fixed assets**

**Fixtures, fittings &  
equipment**

	£
<b>Cost</b>	
At 1 August 2019 and at 31 July 2020	<u>4,524</u>
<b>Depreciation</b>	
At 1 August 2019 and at 31 July 2020	<u>4,523</u>
<b>Net book value</b>	
<b>At 31 July 2020</b>	<u>1</u>
At 31 July 2019	<u>1</u>

**10 Debtors**

<b>2020</b>	2019
£	£

Other debtors	<b>3,002</b>	3,002
	<u>3,002</u>	<u>3,002</u>

**11 Creditors: amounts falling due within one year**

<b>2020</b>	2019
£	£

Trade creditors	<b>3,672</b>	3,284
Accruals	<b>3,060</b>	3,060
	<u>6,732</u>	<u>6,344</u>

# THE EARTH EDUCATION PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2020**

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### **12 Analysis of net assets between funds**

	<b>Total £</b>
Fund balances at 31 July 2020 are represented by:	
Tangible fixed assets	1
Net current assets	<b>4,406</b>
Creditors: amounts falling due within one year	<b>(6,732)</b>
	<u><b>(2,325)</b></u>
	<b>=====</b>

### **Analysis of net assets between funds – previous year**

Fund balances at 31 July 2019 are represented by:	
Tangible fixed assets	1
Net current assets	5,421
Creditors: amounts falling due within one year	<b>(6,344)</b>
	<u>(922)</u>
	<b>=====</b>

### **13 Related parties**

The charity loaned money to Chureca Chic S.A., a sociedad anónima company incorporated in Nicaragua where Andrea Paltzer is a board member. The purpose of this Nicaraguan company is the manufacture and selling of fashion accessories, with a supporting store and cafe. These profits will support The Earth Education Project. As at 31 July 2020, Chureca Chic S.A. owed the charity £3,002 (2019: £3,002).