

EAST AFRICA CHARACTER DEVELOPMENT TRUST

TRUSTEES' ANNUAL REPORT 2022

The Trustees present their annual report and the examined financial statements for the year ended 31 December 2022.

1) REFERENCE AND ADMINISTRATIVE DETAILS

Originally founded in 2013 as the East Africa Cricket Foundation, the charity's name was changed in 2014 to the East Africa Cricket & Educational Foundation and finally to the East Africa Character Development Trust (EACDT) in 2017 to reflect more substantively the emphasis on character development in the charity's activities.

The charity is registered as a Charitable Trust (Registered No: 1153030) and is subject to regulation by the UK Charity Commission.

Registered address

During 2022, EACDT's principal office and registered address is: 24 Eastwick Crescent, Rickmansworth, Hertfordshire WD3 8YJ. However, following the death of Simon Prodger (see below), this has changed to 37 Roman Lane, Southwater, West Sussex, RH13 9AF.

Trustees

Those who served as Trustees during the year were:

Chris Newson (Chairman), Julian Ince, Simon Prodger.

Most unfortunately, Simon Prodger, our "Executive Trustee", providing leadership to and oversight of the operational team in Kenya, died suddenly and unexpectedly on 8 April, 2023. At a subsequent trustee meeting on 20 April 2023, the following were elected Trustees, having previously been invited and accepted the position: Emily Burness; David Hardisty; and Roger Johnson. No one person has taken over Simon Prodger's role as Executive Trustee, but each of the above has volunteered to take on a part of that role.

Bankers

The Charity's bankers are Barclays PLC, Business Centre, Sutton, Surrey and Barclays's affiliate, ABSA Bank Kenya Ltd in Kenya.

External Examiner

The Charity's external examiner is:

GMBC LLP, Marine House
151 Western Road, Haywards Heath, West Sussex
RH16 3LH

2) MISSION AND ACTIVITIES

Mission

EACDT's stated mission is to transform the lives of disadvantaged young East Africans through character education.

At the heart of EACDT's mission is an ambition to help those young people with whom EACDT engages to reach their potential at school, at home, in their communities and ultimately in the workplace. It aims to achieve these outcomes by delivering a Character Education Programme that has resulted from research by Drs Martin Seligman and Angela Duckworth, two eminent psychologists in the USA; from research into the "*Knowledge is Power Programme*" in the USA, an educational movement in which Character Education is placed at the heart of its 200 schools; and from research into the work of the Jubilee Centre at Birmingham University, the global leaders in Character Education.

Activities

The EACDT Programme

The EACDT Programme recognises that, if young people are to make sense of their personal and working lives, they need to have the skills, values and attitudes that will truly make a difference to their futures - and that matter much, much more than academic qualifications. EACDT has taken the seven specific character traits identified by Drs Seligman Duckworth to be best predictors of personal and professional success - *Enthusiasm; Perseverance; Self-control; Optimism; Gratitude; Social Intelligence; and Curiosity* – and incorporated them into a programme that it operates in a number of schools in economically deprived areas of Nairobi, Kenya.

EACDT's programme uses cricket as a method of delivery, recognising that competitive team sports are an ideal vehicle through which to develop character, and that cricket has particular attributes that make it ideal for this purpose.

The Need

Like other East African countries, Kenya contains many places of desperate poverty and deprivation. In most Kenyan schools, sports provision is inadequate because of financial constraints and because the benefits of sport are under-appreciated. In almost every Kenyan school the concept of Character Education is alien, although the Government expects its schools to provide Life Skills education – but without providing them with any resources to do this.

According to Professor Mike Boit of Eldoret University in Kenya (himself a former Olympic medal-winning athlete): *“Primary and secondary schools do not benefit from formal physical education lessons. Extra-curricular activities that include physical education and sport are not considered part of the core curriculum because most institutions do not see its relevance to the world of academia.”*

The Trustees recognise that competitive sport should play an important part within the broad life of schools and that it is an ideal tool through which to build character. They believe that, if you build good character among young people, they will be able to make the maximum use of their skills, education and opportunities in their futures.

2022 Activities

EACDT's Character Development programme operated in 2022 in 10 schools, engaging up to 5,100 young Kenyans (of whom just over half were girls) a week throughout the academic year, predominantly in primary education. A further 267 youngsters a week, of whom 111 were girls, participated in the new Community Programme.

The Charity's schools programme continues to excite the children involved in it, continues to impress the teachers in the schools in which it is run and continues to demonstrate that it affects positively the behaviour, performance and conduct of the children who take part in it. The Trustees remain greatly encouraged by all they see on the ground in Kenya and the feedback they receive from the schools involved.

Towards the end of 2021 a parallel Community Programme was instituted, funded generously by Sir Rod Aldridge and his Foundation. The purpose of the Community Programme is to include and involve those in the communities adjacent to the schools in which we operate, so that parents and community leaders are able to reinforce the seven key personality traits during the time that young people spend out of school. It also enables the large number of youngsters who are unable to go to a secondary school because their parent(s) or guardian(s) don't have the means to pay their school fees (primary, but not secondary, school education is paid for by the Kenya government) to continue in our programme.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Bound by its Trust Deed, EACDT, as a registered charity, is governed by a Board of Trustees.

The Trustees meet at least three times each year, and on any other occasions as judged necessary, to review progress and determine matters of governance, strategy and policy. In previous years, at least one of the meetings has been a physical one in the UK, but this has not been possible during the Covid-19 pandemic. All meetings were therefore “virtual” in 2022, conducted using an internet-based meeting software, but we hope to resume physical meetings later in 2023.

As noted below, EACDT operates in Kenya through a locally established charitable trust, the Foundation for Youth Cricket and Education in Kenya Charitable Trust (FYCEK). FYCEK has its own board of Trustees and, during 2021, it was decided that it would improve the governance of both entities if Trustee meetings were held jointly. This has been successful and continues to be the case.

The Trustees identify any need for new trustees by reference to the charity’s plans and to any vacancies on the Trustee Board, and use their contacts to identify candidates. Information, including a CV, reputation, and a summary of appropriate skills and experience is then provided to the Trustee Board who, if satisfied that the candidate is a suitable person to join the Board, issue a written invitation.

EACDT Trustees largely delegate the day-to-day management to an Executive Trustee in the UK and to a Programme Director in Kenya. This has had to change in 2023 following the untimely death of Simon Prodger, who had been the Executive Trustee, and Simon’s responsibilities have been divided between the new trustees who have been appointed recently.

EACDT works in partnership with FYCEK, which the Trustees formed specifically to provide a vehicle through which contracts and payments can be made to support EACDT’s activities in Kenya, and to provide a vehicle better able to raise funds in Kenya. FYCEK formally employs 15 local Kenyans (thirteen coaches and two administrators) engaged in delivering and supporting EACDT’s activities in Kenya.

FYCEK’s Trustees in 2021 included two of EACDT’s Trustees, namely Simon Prodger and Julian Ince, the latter resident in Kenya and a Fellow of the Institute of Chartered Accountants in England and Wales. One other FYCEK trustee resident in Kenya is a Fellow of the Institute of Chartered Certified Accountants of the UK. Strong controls surround the spending of money in Kenya, most of which is for the salaries of the coaches and the administrators. The appointment of Trustees of FYCEK is subject to approval by the Trustees of EACDT.

EACDT Trustees are confident they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Safeguarding

EACDT, together with FYCEK, has developed safeguarding policies that reflect the circumstances in which it operates and ensures they are compliant with both the UK Charity Commission’s requirements and Kenyan standards. These policies are put into effect by the coaches in the schools in which EACDT/FYCEK operates our programme.

STRATEGIC REPORT

Performance review

2022 had seen a return to our established delivery programme following the exacting times experienced during the COVID pandemic. Schools in Kenya resumed full time education again and it was quickly clear that, within the schools EACDT has traditionally worked with, our programme was immediately welcomed back and championed by Head Teachers as an essential tool to help equip young children to meet the extreme challenges that COVID and the ensuing lock down so brutally highlighted.

Also in 2022, EACDT had established alongside its “in school” programme, a community-based project, with the financial and active support of Sir Rod Aldridge and his family. The objective of this programme is to reach and connect more broadly with children and teenagers outside the education

system and with members of the local unofficial settlement communities within which we already work. The set-up of the project required our establishing two new “cricket” clubs initially, based in the slum communities of Kawangware and Eastleigh; the intention is to expand to a minimum of five slum cricket clubs and to establish a development cricket league for boys and girls and young men and women at Under 19 level. The two new cricket clubs have been developed with local community support and include practice facilities, including fully operational nets, and artificial wickets upon which to play organised hard ball cricket. Dedicated management and coaches have been applied to this new delivery stream, with character education being a pivotal element of the development of club members and young players and in the running of the clubs themselves.

Fundraising continues to be a major challenge. We are grateful to the Aldridge Family for their support of the Community Programme, and for the continued assistance that COSARAF continues to provide, but we have been unable to access further funding from the UK. Fundraising efforts have therefore been concentrated in Kenya, focusing on the CSR programmes of major corporations and high net worth individuals, but so far without a great deal of success. The Trustees have therefore continued to review the charity’s finances and funding performance regularly, to ensure reserves are not wantonly run down and to be prepared to reduce expenditure appropriately. To this end, the input and hence cost of the Project Director was halved at the end of 2022 and more reliance has been placed on the PD’s deputy to provide the supervision and oversight our programmes require.

The Trustees are hopeful that the efforts that are being made to raise funds in both the UK and Kenya will bear fruit, and have agreed to review the position at a meeting at the end of May and again early in July.

The support of and duty of care we owe to our Kenya staff has continued to be a priority. Having been able to maintain all staff in full time employment (there was no furlough scheme in Kenya during the pandemic) we have returned to our core work and enhanced training and the engagement of staff.

Financial review

The Trustees are responsible for keeping proper accounting records which disclose the financial position of the Charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps to prevent and detect fraud and other irregularities. The Trustees believe they have strong controls in place in Kenya that provide significant comfort that money received is well-secured and that money spent is subject to proper scrutiny, approval, authorisation and accounting.

The Trustees prepare financial statements for each financial year in accordance with the requirements of the Charities Act. Because donations total less than £250,000, the Trustees are only required to prepare a Receipts and Payments account, which they supplement with some explanatory notes.

As can be seen from the Receipts and Payments account for the 12 months to 31 December 2022, payments again exceeded receipts, this year by £22,508 (2021 £42,711). As a result, reserves declined to £35,973. The Trustees decided to increase Restricted Reserves by a transfer of £10,000 of Unrestricted Funds to boost the funding of the two hubs part-funded by COSARAF. The Trustees are aware that reserves have fallen to a dangerously low level and continue to monitor very carefully the Charity’s ability to continue all its programmes.

Future plans

Future plans depend to a considerable extent on the levels of funding the charity is able to raise. Funding has moved on from its historic reliance on the support of one private family foundation, and strategies to raise funds in the UK and in Kenya are proving challenging to implement. Future plans, which include reopening hubs that have been closed in the last two years, developing new hubs and expanding the Community Programme have been put on hold until the longer term funding position is clear.

A long-term aim of the Charity is to embed itself into the core Kenyan curriculum as defined by the Ministry of Education, enabling it to operate with a mandate and approval from the Government. This

task was continued during 2022 through the presentation of reports to the Ministry of Education and the development of key contacts there.

Principal risks and uncertainties

A significant risk of operating in East Africa is the political and business environment, which, we discovered in 2017 after a cancelled general election, and in 2020 and 2021 with the effects of the Covid-19 pandemic on schools and businesses. The cancelled general election and the subsequent 60 days of uncertainty and volatility led to the complete drying up of discussions with Kenya business to develop a local funding strategy. The Covid pandemic led to significant losses of business, shut-downs, extreme hardship amongst the neediest communities and, again, difficulties with engaging potential Kenyan donors. The result of the general election in August 2022 led to changes in senior positions in the Ministry of Education, hampering our ability to pursue our aim of embedding our schools programme into the Kenya curriculum.

There is a great deal that can and does influence the environment in which EACDT operates that it cannot control itself, a key element of which is future funding. Essential to the future of the charity, the Trustees believe, is establishing effective means of funding and corporate engagement within Kenya itself. The Trustees believe this will be the principle means of funding the charity in the years to come, as support for overseas projects in the UK is becoming less appealing to donors, and corporate engagement increasingly focuses on local delivery. We continue to search for sponsors in Kenya, but with little success so far.

We rely on a small group of Kenyan citizens and residents for our operations in the country, and the Programme Director (a Kenya citizen) is the key person within this group. Replacing him would be challenging.

Signed on behalf of all Trustees

Signature:

Name: Julian Ince
Position: Trustee
Date: 16 July 2023

-----000-----

East Africa Character Development Trust
Receipts and Payments Account
Year to 31 December 2022

Note
2b)

Charity No
1153030

RECEIPTS

	2022		2021	
	£	£	£	£
	Restricted	Unrestricted	Total funds	Total funds
Donations	94,920	30,415	125,335	137,586
Interest	0	42	42	11
TOTAL RECEIPTS	94,920	30,457	125,377	137,597

PAYMENTS

Programme Delivery

Salaries & benefits for schools:

Coaches	54,370	0	54,370	58,428
Programme Director	21,242	12,379	33,621	34,287
Administrator	8,819	3,760	12,579	13,225
Community Programme	0	0	0	26,150
Holiday camps	2,276	0	2,276	0
Facilities and equipment	5,919	0	5,919	843
	92,626	16,139	108,765	132,933

General

Marketing & promotion	98	2,644	2,742	1,800
Travel & meetings	3,701	582	4,283	3,151
Food Programme	24	0	24	20
Bursaries	3 1,306	0	1,306	3,446
Training	1,384	0	1,384	0
Insurance	1,321	0	1,321	791
Office costs	94	924	1,018	983
Other	4 2,161	1,932	4,093	3,635
	10,089	6,082	16,171	13,826

Governance, Finance and Fundraising

Fundraising	0	12,696	12,696	12,741
Executive trustee	5 0	10,000	10,000	20,000
Audit & legal	0	253	253	808
	0	22,949	22,949	33,549

TOTAL PAYMENTS

102,715	45,170	147,885	180,308
----------------	---------------	----------------	----------------

Excess of Payments over Receipts for the year

(7,795)	(14,713)	(22,508)	(42,711)
----------------	-----------------	-----------------	-----------------

Cash funds at 1 January 2022	22,030	36,451	58,481	101,192
Excess of Payments over Receipts for the year	(7,795)	(14,713)	(22,508)	(42,711)
Funds transfer	10,000	(10,000)		
Cash funds at 31 December 2022	6 24,235	11,738	35,973	58,481

**STATEMENT OF ASSETS & LIABILITIES AT THE
END OF THE PERIOD**

Cash funds

Barclays UK Current Accounts	24,235	2,067	26,302	52,334
Barclays Kenya Sterling Account		6,198	6,198	5,698
Barclays Kenya Shilling Account		3,277	3,277	336
Kenya Petty Cash		196	196	113
Total funds	24,235	11,738	35,973	58,481

There were no liabilities at the end of the period.

Signed on behalf of all the trustees:

Signature:

Name: Julian Ince

Position: Trustee

Date: 16 July 2023

**EAST AFRICA CHARACTER DEVELOPMENT TRUST
RECEIPTS AND PAYMENTS ACCOUNT
YEAR ENDED 31 DECEMBER 2022**

EXPLANATORY NOTES

1 The charity was formed by a Trust Deed on 18 January 2013, which was amended on 17 July 2013 and again on 2 September 2014, and registered with the UK Charity Commissioner on 23 July 2013. The Trust's mission is to transform the lives of disadvantaged young East Africans through a unique programme that provides character education using the game of cricket as the medium through which they learn.

2 a) In order to be able to open bank accounts in Kenya, to make local purchases, to enable contracts with coaches to be signed and statutory payroll deductions paid, a charitable trust, named The Foundation for Youth Cricket and Education in Kenya Charitable Trust (FYCEK) was established in Kenya on 21 March 2014. Bank accounts, one in £ Sterling and one in local currency, were opened with Barclays Bank Kenya in FYCEK's name on 1 July 2014; money is transferred from EACDT as and when required and payments are made for local purchases, salaries and related payments.

b) In order to include the result of all the transactions made in pursuit of EACDT's objectives, EACDT's Receipts and Payments in the year ended 31 December 2022 have been aggregated with FYCEK's audited income and expenditure for that period. Bank transfers from one to the other have been eliminated in this aggregation, and FYCEK's local currency denominated transactions translated into £ Sterling equivalents at the average exchange rate for the month in which the receipts were received or payments made.

3 The secondary education of a small number of students previously enrolled in EACDT's Kenya programme (secondary education in Kenya is not fully funded by the Kenya government) is funded by certain of the trustees and their friends. Costs are initially paid by FYCEK in Kenya in the local currency and reimbursed by the sponsors either in £ Sterling to EACDT in the UK or in Kenya Shillings in Kenya.

4 Other costs comprise:	<u>2022</u>	<u>2021</u>
	£	£
Communications	1,550	1,391
Donations	667	533
Tournament expenses	716	0
Bank charges	398	452
Exchange adjustment	(225)	0
Other	<u>987</u>	<u>1,259</u>
	<u>4,093</u>	<u>3,635</u>

5 In the year ended 31 March 2016, the trustees decided that some time over and above that provided voluntarily in the normal course of events by individual trustees was required in the UK to support and oversee the operations in Kenya. Accordingly, Mr Simon Prodger, one of the trustees, became a part time executive trustee.

6 Funds held for restricted purposes comprise:	<u>2021</u>	<u>2021</u>
	£	£
Project funds for two hubs	18,004	30,485
Community programme	285	(14,000)
Bursary programme	3,084	2,659
Food programme	<u>2,862</u>	<u>2,886</u>
	<u>24,235</u>	<u>22,030</u>

7 The Trust's only fixed assets at 31 December 2022 and 2021 were a computer and printer in Nairobi.

-----oOo-----



Section A

Independent Examiner's Report

**Report to the trustees/
members of**

Charity Name
EAST AFRICA CHARACTER DEVELOPMENT TRUST

**On accounts for the year
ended**

31 December 2022

**Charity no
(if any)**

1153030

Set out on pages

3 - 4

(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 December 2022.

**Responsibilities and
basis of report**

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

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

**Independent
examiner's statement**

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

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

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

Signed: TINA PEARCE

Date: 17 July 2023

Name: GMBC LLP
CHARTERED TAX ADVISERS AND ACCOUNTANTS

**Relevant professional
qualification(s) or body
(if any):**

Address: MARINE HOUSE, 151 WESTERN ROAD
HAYWARDS HEATH, WEST SUSSEX. RH16 3LH

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.