

REGISTERED CHARITY NO 1179682

SAO FOUNDATION
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021
UNAUDITED

ARNOLD HILL & CO LLP

Chartered Accountants
Craven House
16 Northumberland Avenue
London
WC2N 5AP

SAO FOUNDATION
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

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SAO FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

The Trustees have pleasure in submitting their report and the financial statements for the year ended 31st March 2021.

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charitable Incorporated Organisation Sao Foundation (formerly Oriaikhi-Sao Foundation)

Charity registration number 1179682

Correspondence address 35 Berkeley Square
Mayfair
London
W1J 5BF

Trustees

Miss Botsang P Morobe

Mr William A Ofosu

Dr Adegboyega O Austen-Peters (Chairman)

Mr Nana Y Sao

Mr Saliudeen B Bakare

Accountants

Arnold Hill & Co LLP, Craven House, 16 Northumberland Avenue, London, WC2N 5AP

Bankers

Metro Bank Plc, One Southampton Row, London, WC1B 5HA

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity was created as a Charitable Incorporated Organisation (CIO) by a Constitution dated 28th August 2018 and is registered as a charity under reference number 1179682. The Charity changed its name to Sao Foundation on 12 July 2021.

Recruitment and Appointment of Trustees

The charity Trustees have the power to appoint new Trustees by a resolution at a properly convened meeting of the Trustees.

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to generating income. A formal review of the Charity's risk management process is undertaken on an annual basis.

Organisational Structure

The Charity is administered by all of the Trustees, none of whom is paid. The bookkeeping is carried out by Sao Capital Management LLP and the financial statements are prepared by Arnold Hill & Co LLP.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the CIO are to advance in life and relieve the needs of underprivileged young people in the UK and Africa by various means for the public benefit. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives.

ACHIEVEMENTS AND PERFORMANCE

During the year the Foundation paid £13,336.22 (2020: £100,254.33) to support various projects in order to further its objective of making grants for charitable purposes which benefit the public. The details of projects funded are shown in Note 7 on page 9 of the financial statements.

FINANCIAL REVIEW

Principal funding sources

The Trust received no income from donations and activities (2020: £184,169.42) but received income from loans of £20,798.50 (2020: £12,080.17) for the year ended 31st March 2021 to fund its activities. There were no net Gift Aid donations from Nana Sao (2020: £66,090.93). There are no material uncertainties about the charity's ability to continue as a going concern.

Market Value

The Market Value of the Trust at 31st March 2021 was a deficit of £54,993.28 (2020: £25,330.71).

Investments and Reserves Policies

The Charity has a policy to keep the reserves at a level to keep a stable income for the donations to be made.

CURRENT AND FUTURE PLANS

This year has been extraordinarily challenging for the Foundation and the amazing programmes we support. The prolonged demands of COVID-19 meant the Trustees and team had to implement longer term measures around operations and use the opportunity to build back better the infrastructure used in the execution of existing projects and introduce new projects (highlighted by the Pandemic) in collaboration with new partner organisations. With the COVID-19 crisis impacting the Sao Foundation's income and expenditure during the year, along with the effect of the pandemic on the current and future financial and fundraising environment, the Trustees and management team prepared a revised budget. The main fundraising area traditionally most successful for the Foundation – social fundraising events – was dramatically affected by the pandemic. The past 12 months saw a significant reduction in fundraising and income which was mitigated by the reduction in organisational costs during the year. In addition, ad hoc and COVID-19 related fundraising has allowed the charity to continue to implement its strategy and deliver on its commitment under more streamlined operations. The budget and strategy for 2022 is intended to improve the charity's reserves, ensuring the organisation remains financially secure, while ensuring as much investment as possible is made in the charity's programmes during the year.

It is expected that the Sao Foundation's priorities and targets for 2021/22 and beyond remain likely to be affected by further COVID-19 restrictions or increases in infection. Despite this, a number of developments are planned, including:

- A return to a full execution of existing projects and commitments which were confirmed ahead of the start of the pandemic, the return of volunteers to assist with those projects when safe to do so and a full evaluation of programme processes.
- Strengthen Sao Foundation as a platform for partners and programme collaborators to shine a light on the projects they have been involved in during the last year and as the world emerges from the COVID-19 pandemic.
- Work closely with the network of collaborators to develop the next phase of their projects, in addition to further developing Sao Foundation's emerging network.
- Communications were very relevant to Sao Foundation work this year as the charity moved to respond to the unprecedented crisis – helping the organisation build resilience, supporting our various programmes and partners across the world. Within the charity, we are enhancing our digital capabilities starting with social media and website digital upgrades across the various projects, which improve our ability to track and communicate our impact with our donors and partners.
- The continued expansion of the Sao Foundation grant programme to proactively identify regions and projects that are aligned with our objectives. This will inform the next steps in the evolution of the charity.
- To kick-start ensuring the organisation remains financially secure, the charity will embark on a phased ramp up of operations prioritising existing commitments, obligations and payables are met whilst simultaneously building up the reserves of the charity for any future shocks.

We are excited by what the next 12 months has to offer and as we build back better, Sao Foundation will continue to recognise the challenges faced by children and youth in communities throughout the world (with a primary focus on youth in Africa). The Foundation is committed to improving the lives of children by equipping them with a broad set of tools to nurture, develop and sustain them and seeks to ensure that empowered youth and children have the opportunity to make a difference in the communities where they live.

RESPONSIBILITIES OF THE TRUSTEES

Charity law requires the Trustees to prepare accounts that give a true and fair view of the state of affairs of the charity and of its income and expenditure for each financial year. In doing so, the trustees are required to:

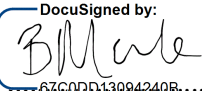
- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the accounts comply with the necessary regulations. 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.

The Trustees are required to prepare financial statements each year that comply with statutory requirements, the Statements of Recommended Practice and the Charities Acts and to submit those financial statements to the Charity Commissioners as appropriate. These financial statements comply with the above requirements.

These financial statements were approved by the Trustees on

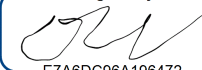
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MISS BOTSANG P. MOROBE

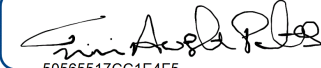
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TRUSTEES

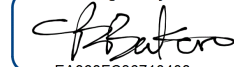
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SALIUDEEN B. BAKARE

SAO FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH 2021

	Page	Unrestricted Fund 2021	Unrestricted Fund 2020
		£	£
Income			
Income from generated funds			
Donations		-	165,630.14
Charitable activities		-	18,539.28
Total Income		-	184,169.42
Expenditure			
Cost of generating funds	8	-	56,992.09
Expenditure on Charitable Activities			
Projects funded	9	13,336.22	100,254.33
Support costs	8	16,326.35	18,808.32
Total Expenditure		29,662.57	176,054.74
Net Movement in Funds		(29,662.57)	8,114.68
Reconciliation of Funds			
Unrestricted Fund brought forward at 1st April 2020		(25,330.71)	(33,445.39)
Unrestricted Fund carried forward at 31st March 2021		£(54,993.28)	£(25,330.71)

The notes on pages 7 to 9 form part of these financial statements.

SAO FOUNDATION
BALANCE SHEET
31ST MARCH 2021

	Page	2021 £	2020 £
Current Assets			
Cash at bank			
Metro Bank Account		706.03	7,620.10
Debtor			
HM Revenue & Customs – Income tax repayment		16,522.75	16,522.75
		<hr/> 17,228.78	<hr/> 24,142.85
Creditors: Amounts falling due within one year	8	72,222.06	49,473.56
Net Liabilities		<hr/> £(54,993.28)	<hr/> (25,330.71)
Represented by:			
The Funds of the Charity – Capital and Reserves:			
Unrestricted Fund	5	(54,993.28)	(25,330.71)
Total Funds		<hr/> £(54,993.28)	<hr/> £(25,330.71)

10/03/2022

These financial statements were approved by the Trustees on

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NANA Y SAO

ON BEHALF OF THE TRUSTEES

The notes on pages 7 to 9 form part of these financial statements.

SAO FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS OF 31ST MARCH 2021

1. Accounting policies

- a) The accounts (financial statements) of the Charitable Incorporated Organisation have been prepared in accordance with FRS102, The Charities Statement of Recommended Practice (FRS102) and the Charities Act 2011 and applicable regulations. The accounts have been prepared under the historic cost convention.
- b) Interest on cash balances is recorded when receivable.
- c) Expenditure on donations is recorded once the payment has been made.
- d) Other income and expenses are included on an accruals basis.
- e) The Unrestricted Fund comprises the undistributed income received or liabilities due.

SAO FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS OF 31ST MARCH 2021

2. Cost of generating funds

	2021	2020
	£	£
Project: Aikido	-	33,171.50
Project: OBAAT (African artists)	-	23,566.83
Marketing and campaigns	-	253.76
	-	£56,992.09

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3. Support costs

	2021	2020
	£	£
Rent and service charges	11,815.90	10,000.00
Computer and IT	2,555.45	2,075.00
Accountancy	1,950.00	3,948.00
Bank charges	5.00	268.14
Sundry expenses	-	2,517.18
	£16,326.35	£18,808.32

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4. Creditors

	2021	2020
	£	£
Loan – Sao Capital Management Limited	63,200.32	42,940.01
Loan - Nana Sao	3,123.74	2,585.55
Arnold Hill & Co LLP	5,898.00	3,948.00
	£72,222.06	£49,473.56

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SAO FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS OF 31ST MARCH 2021

5. Trustee remuneration and Related party transactions

No expenses were reimbursed to any of the other Trustees personally and no remuneration has been paid or other benefits given to any of the Trustees.

Loans of £538.19 were received from Nana Sao, the Founder of the CIO, and loans of £20,260.31 were received from Sao Capital Management Limited, a company of which Nana Sao is a director. The balances of loans at 31st March 2021 are shown in Note 4 and the loans are interest free, unsecured and repayable on demand.

6. Analysis of assets and liabilities

	Unrestricted Fund	Total Funds 2021	Total Funds 2020
	£	£	£
Current assets	17,228.78	17,228.78	24,142.85
Current liabilities	(72,222.06)	(72,222.06)	(49,473.56)
	£(54,993.28)	£(54,993.28)	£(25,330.71)

7. Projects Funded

	2021	2020
	£	£
OBAAT (African Art)	2,567.37	29,226.99
IESE Business School	-	22,533.13
Aikido (Art work)	2,400.00	20,745.49
St Andrews College	8,230.66	14,367.65
Donmar Theatre	-	10,000.00
Ripple Reading	138.19	2,881.07
Grants to individuals	-	500.00
	£13,336.22	£100,254.33
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