

Company registration number: 6693065

Charity registration number: 1127701

South African Youth Education for Sustainability Ltd

known as

SAYes

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2019

David Dixie F C A
AIMS Accountants
167 Black Haynes Road
Selly Oak
Birmingham
B29 4RE

South African Youth Education for Sustainability Ltd

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South African Youth Education for Sustainability Ltd

Reference and Administrative Details

Trustees	Diana Gerald, Treasurer and Director Marit Mohn, Chair and Director Gillian Anderson Lisa Bryer John Pinkerton Andrew Planting Reza Bayed (resigned 15 August 2019) Joy Hatwood
Secretary	Michelle Potter
Principal Office	20-22 Wenlock Road London N1 7GU The charity is incorporated in United Kingdom.
Company Registration Number	6693065
Charity Registration Number	1127701
Bankers	NatWest Bank Westminster 57 Victoria Street London SW1H 0HN
Independent Examiner	David Dixie F C A AIMS Accountants 167 Black Haynes Road Selly Oak Birmingham B29 4RE

South African Youth Education for Sustainability Ltd

Strategic Report for the Year Ended 31 December 2019

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2019, in compliance with s414C of the Companies Act 2006.

Background

SAYes Mentoring was founded in 2008 to improve personal, social and employment outcomes for under-served young people in South Africa through mentoring. Since then our programme has supported 14-25 year olds living in Children's Homes (known locally as Child and Youth Care Centres - CYCCs) where they are placed by the courts, having been subject to neglect and abuse. At the age of 18 they are forced to leave and live independently, when government funding stops. There are an estimated 2000 young people in this target group in South Africa and only 350 in the Cape Town metropole. "The transition to adulthood for young people leaving care is often compressed and accelerated, placing them at increased vulnerability to a range of negative outcomes". It is critical that young people exiting Children's Homes at the age of 18 are provided with preparation and ongoing support, if they are going to become independent, contributing members of society.

In 2019 we expanded to partner with high schools, community-based organisations and non-profit organisations running sports programmes where we provide mentorship for the learners, interns and coaches.

SAYes is registered in the UK with the Charity Commission and Companies House and in South Africa as a Trust, NPO, Public Benefit Organisation and a Section 18A.

The Need

Current figures reveal that 31% of South African youth are not in employment, education or training. South Africa is one of the most unequal societies in the world and this inequality is due not just to wealth but to the differences in the networks of introduction available to different sections of South African society. The difficulties for care leavers include housing instability and homelessness, limited education and employment opportunities, poor mental and physical health, inadequate social and emotional support, and increased risk of substance abuse, early parenthood and involvement in crime. According to Willem Kooyker, Chair of MENTOR (USA), "young people with mentors, especially at-risk youth, have more positive visions of themselves and their futures, and they also achieve more positive outcomes in school, the workplace, and their communities".

How We Meet the Need

SAYes is committed to bringing the best social change experience to professionals, business teams, educational institutions, community groups, and active citizens throughout South Africa, through its innovative mentoring programmes.

We train and support mentors, working with them and our partners to deliver targeted evidence-based interventions known to create differences we can measure. Mentoring allows us to leverage the power of great relationships to improve programme impact for under-served groups - tractably, sustainably and at scale.

In 2019 SAYes continued to work with Children's Homes (known locally as Child and Youth Care Centres) in the Cape Town metropole, Cluster Foster Homes and individuals who have returned to their communities having exited the Homes at 18. In addition we partnered with a high school and two community-based organisations in a suburb of Cape Town called Hout Bay. We piloted this community programme with great success, which has enabled us to expand our programme to other under-served youth groups in the future.

South African Youth Education for Sustainability Ltd

Strategic Report for the Year Ended 31 December 2019

We match young people with a volunteer mentor aged 26 or over. The mentors are rigorously screened and trained, and provide support and guidance during weekly face-to-face meetings over a period of nine months. Mentors and mentees attend monthly workshops where goals and deadlines are set in the areas of education and learning, career development, housing and citizenship, family and community and sport and recreation. Mentors support and motivate young people to develop their skills and further their education and find a pathway to sustainable employment.

Our Transition Specialists provide support to mentors and mentees, working in closely with the staff at our partner organisations. We provide transition training to social and youth care workers at our partner organisations to help facilitate transition planning for the youth, with mentor support. Research has shown that this kind of mentoring benefits young people emotionally, socially, academically and in seeking employment; it also reduces levels of anger and feelings of loneliness and alienation. All mentee graduates are invited to reapply for an additional year with a new mentor, up to the age of 25. From the age of 26 they are invited to apply to be a mentor.

South African Youth Education for Sustainability Ltd

Strategic Report for the Year Ended 31 December 2019

Achievements and Performance

SAYes Transition to Independent Living (TIL) | Care programme 2019 Outcomes

- 84% of matches graduated from the SAYes programme in 2019
- 86% of care experienced mentees successfully completed an education grade/level in 2019
- Of the 16% of care experienced mentees in their final year of school, 86% passed their final exams. 33% obtained a university pass
- 50% of graduating matriculants are now studying at a university or at a vocational college
- Of the 30% of mentees placed back in the community, 75% are still in formal education.
- 34% of mentees had a job-shadowing or work experience opportunity in 2019
- 90% of mentees are not using drugs (including alcohol) in a harmful manner. 80% of mentees are not using cigarettes
- 100% of graduating mentees have not been in conflict with the law
- One mentee became a biological parent during the year
- 70% of graduating mentees are still living in care in 2020. Of those who have returned to the community none are homeless

Feedback from our partner residential homes:

We asked our partner homes to gauge mentor impact on independence and well-being with a measurement scale that ranged from “No positive Impact” to “Life-changing”.

We achieved a positive impact rating for independence of 94%. Education & Learning had the highest positive impact rating at 90%, followed by Community & Citizenship (83% positive), Home & Family (78% positive), Work & Money (74% positive) and Sport & Recreation (65% positive). The order of these rankings across domains has been consistent for several years, suggesting SAYes mentorship interventions are now stable and replicable across mentor cohorts. For both Home & Family, and Community & Citizenship domains, 12% of mentees were given the highest rating possible by our partner homes, ‘life-changing’.

The overall rating from our partner homes for well-being was 98%. Social health had the highest positive impact rating at 96%, followed by Identity health (94%), Emotional health (82%), Cognitive health (78%) and Physical health (53%). Again, these intervention rankings are consistent over time, with the highest positive rankings also growing proportionally in each domain. For example, 12% of mentees received a ‘life-changing’ ranking for Identity health compared to 1% with the same rating in 2018).

Achieving programming impact in one of the most under-served settings of social poverty is a credit to the value of formal mentorship interventions. We will continue to work to bring positive impact to the lives of young people in South Africa, expanding SAYes mentorship interventions to ensure that no young person, in any context of social poverty, has to face a significant life transition without the guidance, advocacy and support of a trusted and trained mentor.

Feedback from our mentees:

We surveyed young people in our care programmes at the beginning of 2020, asking them to reflect back on the impact of their work with a mentor.

94% of mentees said having a mentor positively affected their life (31% ‘life-changing’, 48% ‘much positive impact’ and 15% ‘some positive impact’). One common theme here was the impact of mentoring on the way the young person saw themselves and their future.

South African Youth Education for Sustainability Ltd

Strategic Report for the Year Ended 31 December 2019

“He taught me to take responsibilities for myself. Help me find myself and changed my ways of thinking”

“I could see where I was going in life and it helped me in so many ways that I can't describe it”

“I would not have come so far, without the help and support from my mentor. I learned and done a lot of things with her that changed my mind set completely”

“Help me see life differently. Help me see I am worth it. Help me see giving up was not and isn't an option”

“The mentor and the program helped me to become independent and understand myself and my well-being and how to build a relationship”

“I become the person I am today because of my mentor”

“Much positive impact: I say this because she supported me through every aspect of the mentorship program, she allowed me to grow and make mistakes. Her positive impact allowed me to feel less negativity and caring for myself as a young adult.”

“Having a mentor changed the way I saw situations. My mentor taught me to see things in a more positive light. I learnt how to deal with my emotions. My mentor taught me a lot about positive self-expression”

We asked further questions concerning the practical impact on independence (choices) and well-being (practices).

96% of mentees thought that having a mentor positively improved their choices related to independence (29% ‘life-changing’, 51% “much positive”). 48% of mentees thought that the biggest impact area for independence was Education & Learning, followed by Work & Money (26%) and Home & Family (19%). Ratings of more than 85% positive impact were achieved across all independence domains, with especially high impact ratings occurring within Home and Family (33% ‘life-changing’) and Work & Money (23% ‘life-changing’).

93% of mentees thought that have a mentor positively improved their practices related to well-being (11% ‘life-changing’, 44% ‘much positive impact’). 33% of mentees thought that the biggest impact area on well-being was Emotional health, followed by Identity health (25%) and Social health (25%). Ratings of more than 85% positive impact were achieved across all well-being domains, with especially high impact ratings occurring within Identity health (39% ‘life-changing’) and Emotional health (38% ‘life changing’).

The overwhelming positive reception to mentorship by SAYes mentees, along with the real sense of tangible impact it has made in their lives is deeply gratifying. We remain humbled by the courage and creativity of human connection, shaped by clear thinking, joyful enthusiasm and fearless compassion.

Financial review

During 2019, the Charity met all its expenses from donations. All donations received are unrestricted funds. The income from donations, trusts and foundations, and fundraising activities around the globe amounted to £31,199 of which £11,737 was from donations, £7,500 from Trusts and Foundations and £11,962 from fundraising. Expenditure on charitable activities amounted to £24,297 with governance costs of £511. This left a surplus of £6,391 which was transferred to reserves. Gift Aid tax refunds on donations were £1,996. Reserves as at 31 December 2019 were £10,257.

Reserves policy

All reserves and income historically donated to support SAYes South Africa operations will be transferred to the SAYes South Africa charity to support activity in South Africa. The reserves historically agreed for supporting the UK charity will be maintained within the UK charity (about £2,000), as will future donations from 1 August 2020.

South African Youth Education for Sustainability Ltd

Strategic Report for the Year Ended 31 December 2019

Plans for Future Periods

Fulfilling our commitment to diversify, in 2020 we are piloting additional community programmes in partnership with sport-led programmes. Also, due to Covid-19, we are piloting a remote mentoring programme. This is in addition to our existing Care Programmes. We continue to deliver a high quality, evidence-based programme that significantly positively impacts the lives of all our beneficiaries.

We are focusing on securing mutually beneficial corporate partnerships in South Africa where employees have the opportunity to mentor under-served youth with the support of their employers.

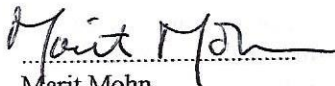
Fulfilling our commitment to diversify, in addition to our existing Care Programmes, in 2020 we are piloting additional community programmes in partnership with sport-led programmes. And, due to Covid-19, we are piloting a remote mentoring programme so that we can continue to support our beneficiaries via video phone, while in-person mentoring is not an option due to lockdown and social distancing requirements.

We are focusing on securing mutually beneficial corporate partnerships in South Africa where employees have the opportunity to mentor under-served youth with the support of their employers.

In addition, we are planning to roll out our programme in the UK to under-served youth groups, so we will be revising our Charitable Objects.

Reflecting on the direction of the charity the current intention is to re-form as a Charitable Incorporated Organisation (CIO) which structure will more effectively meet the future development of our activities in the UK.

The strategic report was approved by the trustees of the charity on 3 July 2020 and signed on its behalf by:



Marit Mohn
Trustee

South African Youth Education for Sustainability Ltd

Trustees' Report

Objectives and activities

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The objects of the charity are:

To act as a resource for marginalised children and young people living in South Africa, by providing advice, assistance and organising programmes of physical, educational and other activities as a means of:

advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;

advancing education;

relieving unemployment;

providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons.

The strategy employed to achieve the charity's objectives are:

To provide a Transition to Independent Living (TIL) Youth Mentoring Programme for:

2020: 105 youths

2021: 150 youths

2022: 160 youths

as they make the transition to self-sustaining, independent living.

To guide the programme beneficiaries towards life in society as independent, self-sustaining adults

To provide support with family and community reintegration

To build an effective resource bank in order to provide access to employment, education, skills training and bursary opportunities, and information on housing

To continually develop our model and carry out research to substantiate effectiveness

To incorporate a broader connection with the academic and civil society sector locally, nationally and internationally, to conduct research on the TIL programme to ensure continued development and improvement, and to assist in providing the necessary research on youth mentoring.

Medium Term Objectives

To provide an effective youth mentoring programme and organisational model that is scalable, impactful, sustainable, tractable, accountable and serving a neglected youth population.

South African Youth Education for Sustainability Ltd

Trustees' Report

Long Term Objectives

To provide an effective youth mentoring programme and organisational model that is scalable, impactful, sustainable, tractable, accountable and serving a neglected youth population.

Structure, governance and management

Governing Document

South African Youth Education for Sustainability (SAYes) is a company limited by guarantee and was incorporated on 9 September 2008. It is governed by its Memorandum and Articles of Association dated 9 September 2008 and amended to allow for current governance on 5 December 2008. It is registered as a charity with the Charity Commission. On 11 April 2011, the name was officially changed from Off The Street Kids to South African Youth Education for Sustainability (SAYes).

SAYes is a registered Trust, PBO, NPO and Section 18A organisation in South Africa.

Appointment of Directors

As set out in the Articles of Association the chair of the Board of Directors is nominated by vote.

Organisation

The board of directors, which can have up to 15 members, administers the charity. The board meets whenever needed and the Executive Director is appointed to manage the day to day operations of the charity. To facilitate effective operations, the Executive Director has delegated authority, within terms of delegation approved by the directors, for operational matters. The Board approves an annual budget and gives the Executive Director the responsibility of implementing it.

Risk Management

The directors have a risk management strategy which comprises:

- an annual review of the risks the charity may face
- the establishment of systems and procedures to mitigate those risks identified in the plan: and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

A key element in the management of financial risk is the setting of a reserves policy and its regular review by directors.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

South African Youth Education for Sustainability Ltd

Trustees' Report

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. This is minimised by transferring funds when the exchange rate seems favorable as determined by a comprising the Chair, Treasurer and Chief Executive. There are no interest bearing assets or liabilities.

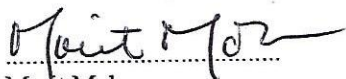
Credit risk

The charity's principal financial assets are bank balances and cash, and tax recoverable on donations under Gift Aid. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The charity has no significant concentration of credit risk.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity only uses short term deposits.

The annual report was approved by the trustees of the charity on 3 July 2020 and signed on its behalf by:



Marit Mohn
Trustee

South African Youth Education for Sustainability Ltd

Statement of Trustees' Responsibilities

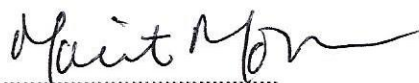
The trustees (who are also the directors of South African Youth Education for Sustainability Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 3 July 2020 and signed on its behalf by:



Marit Mohn
Trustee

South African Youth Education for Sustainability Ltd

Independent Examiner's Report to the trustees of South African Youth Education for Sustainability Ltd

I report on the accounts of the charity for the year ended 31 December 2019 which are set out on pages 12 to 19

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David Dixie FCA

AIMS Accountants
167 Black Haynes Road
Selly Oak
Birmingham
B29 4RE

3 July 2020

South African Youth Education for Sustainability Ltd

Statement of Financial Activities for the Year Ended 31 December 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2019 £
Income and Endowments from:			
Donations and legacies	2	31,199	31,199
Total Income		31,199	31,199
Expenditure on:			
Charitable activities	3	(24,808)	(24,808)
Total Expenditure		(24,808)	(24,808)
Net income		6,391	6,391
Net movement in funds		6,391	6,391
Reconciliation of funds			
Total funds brought forward		3,866	3,866
Total funds carried forward	8	10,257	10,257
		Unrestricted funds £	Total 2018 £
	Note		
Income and Endowments from:			
Donations and legacies	2	34,797	34,797
Total Income		34,797	34,797
Expenditure on:			
Charitable activities	3	(56,261)	(56,261)
Total Expenditure		(56,261)	(56,261)
Net expenditure		(21,464)	(21,464)
Net movement in funds		(21,464)	(21,464)
Reconciliation of funds			
Total funds brought forward		25,330	25,330
Total funds carried forward	8	3,866	3,866

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2018 is shown in note 8.

South African Youth Education for Sustainability Ltd

(Registration number: 6693065)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Cash at bank and in hand		<u>10,257</u>	<u>3,866</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted income funds		<u>10,257</u>	<u>3,866</u>
Total funds	8	<u>(10,257)</u>	<u>(3,866)</u>

For the financial year ending 31 December 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

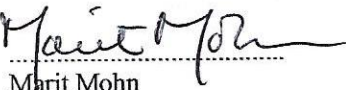
Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 12 to 19 were approved by the trustees, and authorised for issue on 3 July 2020 and signed on their behalf by:


Diana Gerald
Trustee


Marit Mohn
Trustee

South African Youth Education for Sustainability Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

South African Youth Education for Sustainability Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Exemption from preparing group accounts

The charity has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small sized group.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

South African Youth Education for Sustainability Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

South African Youth Education for Sustainability Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

South African Youth Education for Sustainability Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

2 Income from donations and legacies

	Unrestricted funds	Total	Total
	General	2019	2018
	£	£	£
Donations and legacies;			
Donations from companies, trusts and similar proceeds	7,500	7,500	12,672
Donations from individuals	11,962	11,962	19,670
Gift aid reclaimed	1,996	1,996	2,455
Regular giving and capital donations	9,741	9,741	-
	<u>31,199</u>	<u>31,199</u>	<u>34,797</u>

3 Expenditure on charitable activities

		Unrestricted funds	Total	Total
		General	2019	2018
	Note	£	£	£
Grants to South African Trust		20,000	20,000	-
Fundraising and development expenses		217	217	228
Pension contributions		3,600	3,600	3,600
Office costs		420	420	460
Bank charges		60	60	80
Grant funding of activities		-	-	51,400
Governance costs	4	511	511	493
		<u>24,808</u>	<u>24,808</u>	<u>56,261</u>

4 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total	Total
	General	2019	2018
	£	£	£
Independent Examiner's remuneration	498	498	480
Legal fees	13	13	13
	<u>511</u>	<u>511</u>	<u>493</u>

South African Youth Education for Sustainability Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

5 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

7 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

8 Funds

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted funds				
General	<u>(3,866)</u>	<u>(31,199)</u>	<u>24,808</u>	<u>(10,257)</u>
	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Balance at 31 December 2018 £
Unrestricted funds				
General	<u>(25,330)</u>	<u>(34,797)</u>	<u>56,261</u>	<u>(3,866)</u>

9 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Current assets	<u>10,257</u>	<u>10,257</u>

South African Youth Education for Sustainability Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

10 Analysis of net funds

	At 1 January 2019 £	Cash flow £	At 31 December 2019 £
Cash at bank and in hand	3,866	6,391	10,257
Net debt	<u>3,866</u>	<u>6,391</u>	<u>10,257</u>