



REPORT & ACCOUNTS

YEAR ENDED 31 AUGUST 2015



**HIV REMAINS
No1
CAUSE OF DEATH IN
10-19 YEAR OLDS
IN AFRICA**

Source: WHO Global Health Estimates, 2014

**OVER
HALF
OF THE POPULATION
ARE LIVING IN
POVERTY**

Source: UNDP Human Development Report, 2013

POPULATION OVER 2 MILLION

Source: World Health Statistics, 2014

**WORLD'S SECOND
HIGHEST
HIV
INFECTION RATE**

Source: CIA World Factbook, 2014

**1 in 3
CHILDREN
IS AN ORPHAN**

Source: Lesotho Ministry of Development, 2013

**21,000
AGED BETWEEN 10 & 19
LIVING WITH
HIV**

Source: All in to End Adolescent AIDS – Lesotho Fact Sheet, 2015

**ONLY
30%
ACCESS
TREATMENT**

**STIGMA
IS THE BIGGEST
BARRIER
TO YOUTH ACCESSING
CARE**

Source: Ki-moon, The Stigma Factor, 2008

SENTEBALE

HOW WE'VE HELPED THE MOST VULNERABLE CHILDREN IN LESOTHO IN THE YEAR 2014/2015

**2%
INCREASE
INCOMING
RESOURCES**

**44%
INCREASE
LOCAL
CHARITABLE
EXPENDITURE**

'MAMOHATO CHILDREN'S CENTRE IS OPEN

ALLOWING US TO REACH 1,500 PER YEAR AT CAPACITY



PROGRAMME DELIVERY HIGHLIGHTS

**NETWORK
CLUBS MORE
THAN DOUBLED**

**GIRLS ACCOUNTED FOR
58%
OF ADOLESCENTS
ATTENDING
NETWORK CLUBS**

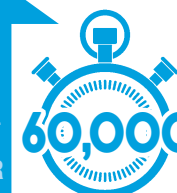
**>300
CAREGIVERS
RECEIVED CHILDCARE
TRAINING**

**40%
INCREASE
SECONDARY
SCHOOL
BURSARIES**

**66%
INCREASE
TERTIARY
EDUCATION
BURSARIES**



**30%
INCREASE
PSYCHOSOCIAL
SUPPORT ON
PREVIOUS YEAR**



CLUBS AND CAMPS DELIVERED MORE THAN 60,000 HOURS OF PSYCHOSOCIAL SUPPORT

118

PEER EDUCATORS TRAINED TO DELIVER LIFE SKILLS AND HIV PREVENTION ADVICE TO 10-19 YEAR-OLDS

ABOUT SENTEBALE

Sentebale is a charity founded in 2006 by Prince Harry of the United Kingdom and Prince Seeiso of Lesotho. Sentebale helps the most vulnerable children in Lesotho receive the support they need to lead healthy and productive lives.

SENTEBALE'S FIVE PROGRAMMES

- **Network clubs and camps for children and adolescents living with HIV**
These facilities provide essential life skills and psychosocial support to children in Lesotho, aged 10 to 19 years, who are living with HIV, improving adherence to medication.
- **Herd boys' schools**
The schools give herd boys an opportunity to receive education and life-skills training while fulfilling their cultural obligation to tend livestock in the mountains.
- **Letsema network**
This network encourages collaboration between organisations caring for children, as well as peer-led HIV prevention, education and life-skills training for adolescents and wider communities.
- **Secondary school bursaries**
The bursaries cover the costs of school fees, uniform, nutritional support and educational materials to enable children to complete secondary education.
- **Care for vulnerable children**
The charity also works with local community-based organisations to ensure orphans and children with disabilities access the care and education they need to lead healthy lives.

Sentebale is a non-governmental organisation, established as a UK charitable company limited by guarantee. It currently works in Lesotho, in southern Africa. Sentebale has an independently governed affiliate in New York, called the American Friends of Sentebale. Both organisations work towards Sentebale's international aim of providing the children of Lesotho with hope for a better future.

The Trustees Annual Report, on pages 6 to 37, covers Sentebale's financial year ended 31 August 2015. The financial statements have been prepared under the accounting policies set out therein and comply with applicable law and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities, issued by the Charity Commission in April 2005. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and also constitutes a Directors' Report for the purpose of company law.

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Research showed us that children living with HIV received little support to help them deal with the social and psychological challenges of their condition. As a result they felt isolated and afraid to face up to their illness. The theory of our 'Mamohato camp is simple – if children have the chance to share with each other how HIV affects them and how they cope with it in a safe and accepting environment, they will lead healthier, more well-adjusted lives.”

PRINCE HARRY, SENTEBALE'S 'MAMOHATO CHILDREN'S CENTRE OPENING, 2015

FOUNDING PATRONS' FOREWORD

The scale of the challenges which comes with working in Lesotho has never escaped us. In 2004, when we first travelled across the country together, we saw the needs of the children and resolved to act. It has been a long journey and we have learned a great deal but also we have accomplished a large amount. Our commitment, however, has not diminished and there is still much to do.

Sentebale and its partners have provided residential care for 5,000 orphans over the past 10 years and a quarter of a million hours of psychosocial support to children living with HIV, as well as providing secondary school bursaries along with night schools for herd boys.

However, the scale of the challenge remains significant; Lesotho still has the second highest prevalence rate of HIV; UNAIDS estimates that only 30% of adolescents believed to be living with HIV in the country are accessing medication. The newly completed 'Mamohato Children's Centre will enable Sentebale to reach many more children than in previous years and will increase the number of children accessing our week-long residential camps from 400 to 1,500 each year, which will give them the education, care and support they need to enable them to lead healthy lives.

HIV remains the number one cause of death among 10–19-year-olds in Africa and many countries across southern Africa face similar challenges - a high prevalence of HIV and limited access to treatment. Sentebale is hopeful that the 'Mamohato Children's Centre will become a centre of excellence for the region, which will allow us to share this valuable model and our experience with partners in other countries.

Over the course of the next decade, it is our aim to change the tide of this epidemic. At Sentebale, we are ever more committed to play our part and use all our resources to help and support many more children living with HIV, and to help further generations to stay healthy and hopeful for a better future.

PRINCE HARRY

PRINCE SEEISO



A child smiles for the camera at Mants'ase Children's Home, December 2014.

MESSAGE FROM THE CHAIR

Sentebale is a small organisation, but one with much potential to change the fortunes of many young people. The past year has been a landmark for the development of the charity, having completed the build of the 'Mamohato Children's Centre – on time and on budget – and, while doing so, continuing to extend the programmes to reach more children in Lesotho. Our local programme expenditure has once again increased – this year, by 44%.

I believe the results this year demonstrate amply the hard work and commitment of the teams in both Lesotho and London. We saw strong growth in the number of children accessing our programmes, and increasing levels of support through our campaigns and events such as the World Aids Day #FeelNoShame digital campaign and the RHS Chelsea Flower Show Hope In Vulnerability garden, which helped to raise awareness of the challenges facing children who are living with HIV.

The Board is united behind our strategy to expand the programmes and, to this end, we have started looking at a number of other southern African countries with similar needs to Lesotho, where the camps and clubs programme would provide the care and support that many thousands of young people living with HIV so desperately need.

We were delighted to welcome Tsitsi Chawatama on to the Board in July 2015. As a paediatrician, Tsitsi brings professional expertise, focus on HIV treatment and a wealth of knowledge in international child health issues.

We are extremely grateful for the many years of service given by Sophie Chandaoka, who retired from the Board in March after two three-year terms. Special thanks also to Khanyisile Kweyama, who steps down this year following changes to her role and pressures of work.

I would like to thank the Board for their constant support and for the many hours they give, over and above the Board meetings, to contribute in their own ways to the development of Sentebale.

Finally, huge thanks go to our donors, supporters and friends, for all they do. Together we are making a difference to the lives of so many young Basotho people.



A handwritten signature in black ink, appearing to be 'P. Green'.

PHILIP GREEN, CBE
CHAIRMAN, BOARD OF TRUSTEES

COMPANY DIRECTORY

BOARD OF TRUSTEES

Philip Green, CBE (Chairman)
Tim Boucher
Dame Nicola Brewer
The Rt Hon The Baroness Chalker of Wallasey
Mark Dyer, MVO
Johnny Hornby
Tsitsi Chawatama
Damian West

CHIEF EXECUTIVE

Cathy Ferrier

COMPANY SECRETARY

Cathy Ferrier

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Lihaseng, Ha Ramarama,
Thaba-Bosiu, Lesotho

COMPANY NUMBER

05747857

CHARITY NUMBER

1113544

AUDITOR

Buzzacott LLP
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BANKERS

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Standard Bank Lesotho
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Bank Building
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Maseru
Lesotho

SOLICITORS

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2-6 Cannon Street
London EC4M 6YH

DLA Piper UK LLP
3 Noble Street
London EC2V 7EE

REPORT CHIEF EXECUTIVE

This has been a remarkable and busy year. The programme in Lesotho saw continued growth in the numbers of children attending our network clubs, and the number of clubs grew to 45, covering all 10 districts in Lesotho, with more than 1,400 children attending each month.

We have delivered more than 60,000 hours of psychosocial support to children living with HIV this year. We also increased our outreach work, training over 100 youth leaders to run youth clubs and act as peer educators raising awareness and knowledge of HIV, reaching more than 4,000 adolescents. Our community partner programme continues to support more than 1,000 of the most vulnerable children and we now have 435 children in our secondary school bursary programme.

The improvement in programme delivery has been enabled by the strengthening of the team, with the recruitment of two new senior management team members and a manager in January, bringing to Sentebale great experience and professionalism.

The completion of the 'Mamohato Children's Centre' was a major achievement this year. Having secured the funds in 2013, we broke ground in April 2014 and completed the project in 16 months and on budget. Given the scale of the project — the centre has 21 buildings — and the difficulties of working in Lesotho, it has been a tough challenge. It is so rewarding to see children enjoying the facilities and filling the centre with singing, dancing and activities.

Our fundraising events started with a Sentebale Polo Cup in Abu Dhabi, followed by a successful filming trip in Lesotho, in December. On the day we returned, we ran our first carol concert, which was very well received by our guests.

On 1st December 2014, World AIDS Day, we launched our #FeelNoShame digital campaign, which exceeded our expectations, reaching over 100 million views and trending globally. This, together with the publicity from the release of photos of the December trip, raised awareness of the issues of stigma affecting children and young people living with HIV.

In May 2015, we had a Hope In Vulnerability garden at the RHS Chelsea Flower Show, which won a Silver Gilt medal. The garden was inspired by the design of the 'Mamohato Children's Centre' and reflected the positive experience of children attending camp there. We were delighted with the public's response and were especially pleased to win the BBC RHS People's Choice Award.

This year, we have made continued progress with our strategy. We conducted research trips to Botswana and Mozambique in early 2015 to inform the strategy review. The Board held a strategy day in March and agreed the 2020 vision, giving a clear road map to expanding Sentebale's reach to many more children in southern Africa.

It has been a varied and exciting year, and a huge privilege to be able to see the positive impact of the work on the many wonderful children we help and support in Lesotho.



Cathy Ferrier

CATHY FERRIER,
CEO

OUR APPROACH

OUR MISSION

To become the leading organisation in the provision of psychosocial support for children living with HIV in Southern Africa.

OUR VISION

To work in partnership to transform positively the lives of the world's most vulnerable children.

Sentebale works with local grass-roots organisations to help the most vulnerable children, the victims of extreme poverty and Lesotho's HIV/AIDS epidemic. Together, we're making a big difference to these children's lives by improving their access to quality care and education.

AS DERIVED FROM THE MEMORANDUM OF ASSOCIATION, THE OBJECTS FOR WHICH SENTEBALE IS ESTABLISHED FOR THE PUBLIC BENEFIT ARE TO:

- Empower families and communities to provide consistent and efficient care and support for the most vulnerable and disadvantaged children and young people
- Support children living with HIV to live healthy, confident lives
- Strengthen access to education, including livelihoods and life-skills training, for herd boys
- Improve the effectiveness of delivery of care and support for vulnerable children and young people through facilitation, co-ordination and collaboration with organisations in the childcare sector
- Document and share Sentebale's models of best practice

Sentebale's partnership approach applies to every level of contact, from herd boys to principal chiefs, local clinics to government ministers. The charity is committed to collaborating with all aid providers in Lesotho, including major international grant-makers, smaller NGOs, local service providers and government. Sentebale's co-operative working initiative, Letsema, shows how working together can make a significant impact.



Support for children living with HIV to live healthy and confident lives

NETWORK CLUBS & CAMPS FOR CHILDREN & ADOLESCENTS LIVING WITH HIV

Sentebale runs week-long camps and monthly network clubs at local healthcare clinics across Lesotho, to give children living with HIV the knowledge and the tools that they need to live physically and emotionally healthy lives. Sentebale seeks to reduce the spread of HIV and AIDS through education and fostering child-to-child communication.

Key statistics

- HIV is the number one cause of death in 10-19-year-olds in Africa.^{1*}
- The number of adolescents dying is increasing, while the numbers of HIV-related deaths are decreasing for all other age groups.²
- Lesotho has the second-highest prevalence rate of HIV in the world.³
- Only 30% of the 21,000 10-19-year-olds believed to be living with HIV are accessing medication.⁴
- Stigma and discrimination remain the biggest barriers to children and young people accessing care.⁵

Programme activities

- Eight weeks of camp were held, delivering psychosocial support to nearly 500 children and adolescents.
- During the year, 27 new network clubs were established, bringing the total to 45 clubs. Average monthly attendance at clubs doubled from 713 children to 1,450 children each month.
- An outreach specialist was recruited to increase the number of children and young people being tested for HIV and ensure they accessed treatment.
- By the year end, 5,194 nine to 18-year-olds were tested for HIV/AIDS in three districts: Thaba Tseka, Qacha's Nek and Leribe. Of those tested, 62% were girls. Of the young people who tested HIV-positive, all were referred to Sentebale network clubs.

Achievements

- Network clubs and camps delivered more than 60,000 hours of psychosocial support by 31st August 2015. This was a 30% increase on the previous year and was a result of the number of network clubs more than doubling during the year.
- Girls account for 58% of all adolescents attending the network clubs.
- Of the children who had attended network clubs for a significant length of time, 78% were able to describe HIV accurately, in comparison with the 6% of children who were new to clubs.

Challenges to be addressed

- Working with the clinics to ensure they capture the clinical data of an individual child to deliver effective monitoring and evaluation.
- Following the scale-up of children attending clubs and volunteers required to run the clubs, more regional volunteer training on psychosocial support will be delivered to improve volunteers' principles and approaches to psychosocial support in clubs.

* all footnotes can be found on page 53.

Thabo's story

Thabo, aged nine, found out he was HIV-positive a couple of years ago. Following a referral from the clinic to Sentebale's clubs, he has now been to three of the Saturday clubs and recently attended the five-day winter camp for children living with HIV.

His mother said: "Before participating in club and going to camp, Thabo was very reserved and would not play with other children in the village or at school, and he was even reserved at home. When he went for check-ups at the clinic, he refused to talk to the staff and was a sad, lonely boy.

"Following camp, however, I noticed a big change in Thabo. He began to play and laugh with children in the village, share stories at home, and he has started to open up and be happier. I'm so relieved to see this difference in my son."

Staff at club said: "There has been a big change in Thabo. He now participates cheerfully in activities and asks questions."

“I have realised that I have people around me who can help me with worries that I have. Thank you.” THABO

Strengthen access to education, including life-skills and livelihood training for herd boys

HERD BOY EDUCATION PROGRAMME

Lesotho's herd boys are a marginalised section of the community. The tradition of tending to livestock in the mountains prevents many of them from attending school. The programme aims to give these disadvantaged boys the chance to make a better future, by giving them access to primary school education, as well as vocational and basic skills training.

Key statistics

- There are an estimated 30,000 herd boys in Lesotho.⁶
- Almost one-third of herd boys have never attended school.⁷

Programme activities

- During the year, 248 herd boys attended workshops on HIV/AIDS and 385 herd boys attended workshops on sexual and reproductive health.
- More than 800 herd boys attended night school in nine herd boy schools across Lesotho.
- More than 400 herd boys were trained in handicraft skills and other income-generating activities.
- Twenty-two herd boy teachers received three-day teacher planning and delivery workshops on English, numeracy, mathematics and HIV/AIDS.
- English picture dictionaries and reading books were delivered to Marakabei Good Shepherd Night School, to aid learning.
- Three herd boy school management committees were trained on governance and management of the schools.

Achievements

- The herd boy education programme received international recognition at the Life Ball in Vienna, when it was awarded the Swarovski Crystal of Hope Award.

Challenges to be addressed

- Mobilising livestock owners and night school administrators to ensure more herd boys access night school.
- Some of the teachers have not completed their primary education in English. Workshops will be delivered to improve their skills and knowledge.

Thapelo's story

“My name is Thapelo. I am 18 years old and I live in Semonkong. There are four of us in my family – my three sisters and myself. Both my parents have passed on, my father passed away when I was very young. Life after my mother's death became tough. I survived by hiring myself out to look after other people's animals. The last time I attended day school, I was 12 years old doing Standard 2. I came to know about Sentebale's herd boy school through other herd boys, and I decided to join. At school, we learn to read and write. We learn Sesotho, Mathematics and English. English is difficult for me and I need more help with it. Our classes run four times a week and I walk an hour or so to get there. We are fed at night school, usually eggs, pasta, soup, fat cakes, samp and meat. My motivation to attend herd boy school is my commitment to learn to read and write. What I like most about schooling is the time when we hold topic discussions. This has helped us to become friends, leading to reduction of fights we used to have.” **THAPELO**



Meet Retsepile
PEER EDUCATOR, MAFETENG DISTRICT

“I was recruited and trained to be a peer educator at a health clinic; it has been a life-changing experience for me. Before I was trained, I was shy and I didn't know how to care for myself. I suffered low self-esteem and fell pregnant at a young age. Today, my life is so fruitful; I am able to bring children and adolescents together and have a peer-to-peer session with them, sharing all the life-skills knowledge I have acquired from my training. I teach them that we have to bear the consequences of the decisions we make in life and encourage them to make good choices. I am working hard to make sure that the teenagers in my community understand the harmful effects of teenage pregnancy, alcohol and drug abuse.” RETSEPILE



Meet Teboho
12 YEARS OLD

“My name is Teboho, and I live in Ha Seeiso. I am a member of the Adolescent Corner Club at a health clinic in Maseru district. Club has helped us a lot because we learn about self-esteem, knowing who we are and the importance of the decisions we make in life. Having attended club, I can now help advise others my age on their decisions and how we should try to behave – I can even advise my parents!” TEBOHO

Improve the effectiveness of delivery of care and support for vulnerable children and young people through facilitation, coordination and collaboration with organisations in the childcare sector

LETSEMA NETWORK

Letsema, which means working together in Sesotho, is a network set up by Sentebale with the support of UNICEF. With community support at the heart of Basotho culture, the network encourages collaboration between organisations caring for vulnerable children, as well as peer-led HIV prevention, education and life-skills training for adolescents and communities.

Key statistics

- 72% of the population lives in rural areas.⁸
- Community mobilisation interventions can provide a means to change behaviour associated with a high risk of HIV infection.⁹

Programme activities

- One hundred and eighteen young people aged between 18 and 24 years, known as “peer educators”, were recruited and trained by Ministry of Health (MOH) professionals to deliver life-skills workshops in schools and at community youth clubs, ensuring children and adolescents access health services, in particular HIV testing and counselling.
- Six regional forums were held with community-based organisations to establish how they could contribute to children accessing health services. Additional individual consultations were held with community-based organisations and non-governmental organisations to establish a strategy of approach to increase children's access to these services.
- Community initiatives on the health referral process were delivered through the trained peer educators in 32 facilities in three districts. All communication has been driven by face-to-face contact with peer educators operating with village health care workers, children and communities. Together, working relations have improved, ensuring more children access health services. Together, they have recommended that youth should be seen as role models in communities, spreading the word of access to health care services for children and young people.
- Ninety-eight Letsema members, local chiefs and legal guardians received training on psychosocial support and child protection.
- The Head of Letsema's appointment began in January 2015.

Achievements

- The health referral process has been strengthened by the recruitment of 118 peer educators.
- Letsema mobilised more than 4,500 young people to come forward for HIV testing. Around 2% tested positive and 82% are on pre-antiretroviral treatment. Those that defaulted from treatment are being tracked to ensure they access treatment.
- The civil sector report submitted to the African Union on the Charter on the Rights and Welfare of the Child received a large contribution from the Letsema programme team.

Challenges to be addressed

- An understanding of the role of peer educators is still to be clarified with health facility staff, to ensure they support the work of the peer educators and understand their parameters.
- Many of the community-based organisations are run by more elderly people, which can create communication barriers between them and the children seeking to access health services.



Meet Puleng 16 YEARS OLD, BORN IN MOKHOTLONG

From a family of five children, Puleng currently studies at Senkoase High School. Sadly her father died when she was in primary school.

“After my father died, my two older sisters cared for me and my other siblings so that our mother could work. Sadly, my two older sisters then passed away. My mother had to stop working to come home and care for us. I had been attending high school for two years, but because we did not have any money, my mother had not paid the bills.

The school told me that I would have to either pay the bills or never show my face again at school. Sentebale came into my life at the most difficult time ever. I had totally lost hope. Sentebale gave me a secondary school bursary so I could continue with my studies, but it also gave

me much more than school fees. Sentebale gave me exercise books, toiletries, a pair of shoes and money for school boarding fees, where I get three meals a day.

Since Sentebale came into my life, my school work has dramatically changed for the better, and I am happy because I now put on school uniform like the rest of the students. What excites me most is having it clean all the time as I am given soap to wash it. I would like to say to Sentebale I am truly grateful, and may God bless Sentebale and help it grow bigger to reach even more children living in bad situations.”

PULENG

Give increasing numbers of Lesotho's most vulnerable children the opportunity to achieve a secondary school education

SECONDARY SCHOOL BURSARY PROGRAMME

With the support of key partners, Sentebale provides bursaries to some of Lesotho's most disadvantaged children – those without a family to care for them – to cover the costs of attending secondary school, so that they can reach their full potential.

Key statistics

- One in five children fail to access primary education (free education).¹⁰
- Only 32% of 15-24-year-olds in Lesotho have completed secondary school education (paid-for).¹¹
- Completion of secondary school education reduces vulnerability against HIV infection. Education is described as a key “social vaccine” against HIV.¹²

Programme activities

- During the financial year, the number of secondary school bursaries increased from 256 to 432 students.
- More than 340 secondary school students attended life-skills and sexual and reproductive health training.
- One hundred and twenty-five students from 30 schools received career guidance.
- Ten families of bursary students received support from Sentebale by receiving lessons in agricultural production and gardening. In addition to this, they received produce such as seeds, chickens and equipment to improve the food security of their households.
- More than 20 teachers were trained on psychosocial support in 10 schools, which bursary students attend.
- Two students continue to receive tertiary education sponsorship. Eight students have been admitted to local tertiary education for the 2015/16 academic year, which began in August 2015.

Achievements

- The Sentebale sponsorship policy was put in place and is currently being reviewed by the Ministry of Education.
- The number of secondary school bursaries given out has increased by 40% and there has been a 66% increase in the number of children receiving tertiary education sponsorship.

Challenges to be addressed

- Teenage pregnancy remains a challenge, with four students falling pregnant in this year alone. There has been a notable policy shift by government, with girls allowed to continue their studies at school, which has helped, yet some exceptions remain under the Roman Catholic secretariat, where they may only attend for their exams.
- Lack of support from parents or caregivers for a child to attend school.

Empower families and communities to provide care and support for Lesotho's most vulnerable and disadvantaged children

CARE FOR VULNERABLE CHILDREN PROGRAMME

Through this programme, Sentebale provides community childcare projects with capacity-building financial and technical support to enable families and communities to provide appropriate care, health and education to Lesotho's most vulnerable children and young people.

Key statistics

- There are more than 363,000 orphans in Lesotho (one-third of all children).¹³
- Only 5% of children with disabilities are accessing primary education.¹⁴
- Disabled young people between 11 and 20 years old are seven times less likely to access education than those without disabilities.¹⁵
- It is believed that there are many more orphaned children and children living with disabilities who are not counted in country statistics.

Programme activities

- Around 300 parents, guardians, caregivers, teachers, social workers and graduates were trained on various childcare skills, which included basic physiotherapy and occupational therapy, guardian-child communication such as braille, vegetable production, children's rights within the context of Lesotho's Child Protection Act, legal protection and project management.
- Two lesson-sharing workshops were conducted for 10 of the 11 partners.
- Five partner organisations were trained on good governance and leadership to improve delivery of care and management of centres.
- Child Health and Safety Policies of the 11 partner organisations have been formulated and consolidated into one general Child Health and Safety Policy.
- Support for our 11 partners delivering care to vulnerable children has been delivered based on their specific needs. This has included providing specialist learning equipment, working with the Ministry of Agriculture and Food Security to improve children's nutrition, and establishing children's committees to address issues of their care and mentoring.
- Head of the Social Development Programme was appointed in January 2015.

Achievements

- Delivering childcare skills training which encouraged families and communities to support children rather than relying solely on the children's homes.
- Working to ensure that more children above 16 years of age, as per the legal requirement in Lesotho, have legal identity documents.

Challenges to be addressed

- Based on the child status index assessments, education is highlighted as the least performing domain. This is due to the lack of specialists in Lesotho delivering education to children with disabilities. Children living with disabilities account for over two-thirds of the children supported by our 11 partners.

Tsikinyane's story

Tsikinyane is 14 years old and lives at Thuso Children's Centre for children with multiple disabilities. Her grandmother and aunt were unable to care for her properly at home because of her physical and mental disabilities.

“Before I moved to Thuso, I was helpless and sad. I could not bath or feed myself and I often got teased by the other children. Since I have been at Thuso, I have learned how to bath myself, play with the other children and even grow vegetables in my own garden! I can even help my aunt and grandmother with the gardening when I go back home for the school holiday.”

TSIKINYANE

DECEMBER 2014



World AIDS Day social media campaign

- Reached over 100million people in 24 countries
- Trended globally for six hours
- Accounted for 5% of all World AIDS Day posts on Twitter

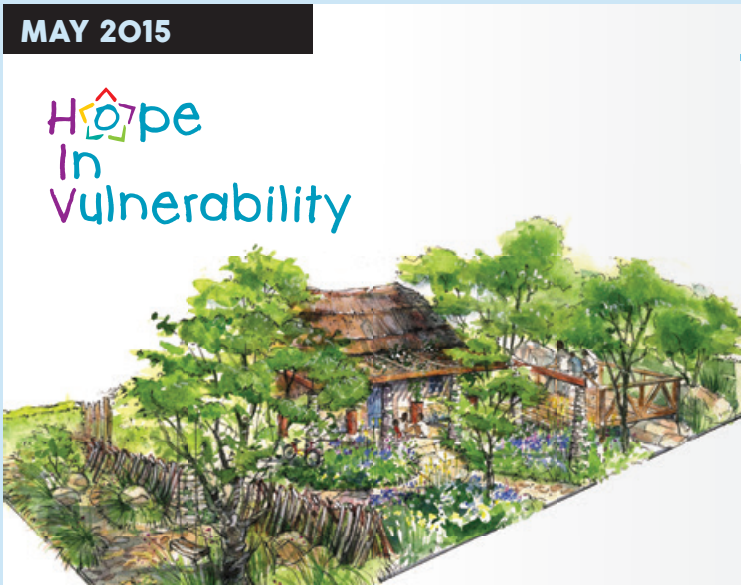
DECEMBER 2014



Prince Harry's trip to Lesotho

- Total Advertising Value Equivalent (AVE) was worth nearly £3.5million
- On the front page of every major UK paper
- Six page spread in HELLO! magazine

MAY 2015



Chelsea Flower Show garden

- Awarded the Silver-Gilt
- Won the BBC RHS People's Choice Award
- Reached 490million people over six consecutive days of coverage

Develop as an effective international organisation

The team in London and Lesotho

We continue to build our internal capacity and have successfully recruited two heads of programme for Care for Vulnerable Children and Letsema, and a head of outreach for the 'Mamohato programme. All three joined the team in January, and are making a strong contribution to Sentebale.

'Mamohato Children's Centre

The 'Mamohato Children's Centre build was completed in August 2015, and subsequently was officially opened by King Letsie III, Prince Harry and Prince Seeiso in November 2015.

Securing resources

Income for this financial year is £3.4million, which is a little below aspirations, and reflects a slowing down in support from Trusts and Foundations.

Expanding our programmes reach

Good progress was made in preparing for country expansion, with research trips to Botswana and Mozambique. An International Programme Development Manager was recruited and the successful applicant was seconded to Botswana in August 2015.

Social media and coverage

The #FeelNoShame social media campaign was launched on World AIDS Day (December 1st, 2014), to celebrate the sharing of secrets – spreading the word that eradicating stigma and shame saves lives. The campaign was incredibly successful, trending globally for six hours and accounting for almost 5% of the entire World AIDS Day activity. Sentebale also received a large amount of media attention from Prince Harry's trip to Lesotho (December, 2014) and the Hope In Vulnerability garden, which won Silver Gilt at the RHS Chelsea Flower Show (May, 2015).

THE CHANGING HIV/AIDS EPIDEMIC

“After climbing a great hill, one only finds that there are many more hills to climb.” **NELSON MANDELA**

Progress has been made over the past 20 years to reduce the number of new HIV infections globally and ensure people living with HIV access treatment. However, evidence shows that if the current level of HIV service coverage is only maintained, progress will slip backwards with rising numbers of newly infected people and more people dying from AIDS-related causes.”

THE GLOBAL PICTURE OF HIV/AIDS IN 2014 (UNAIDS, 2015)

37 MILLION
PEOPLE LIVE WITH HIV
GLOBALLY. LESS THAN 50%
ARE RECEIVING TREATMENT

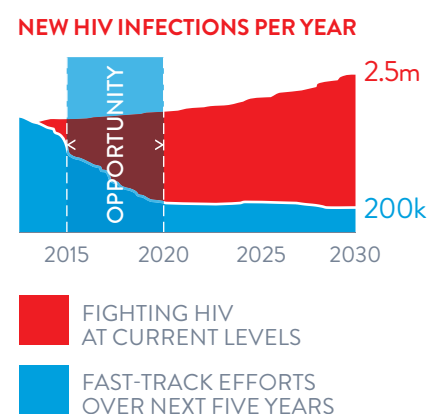
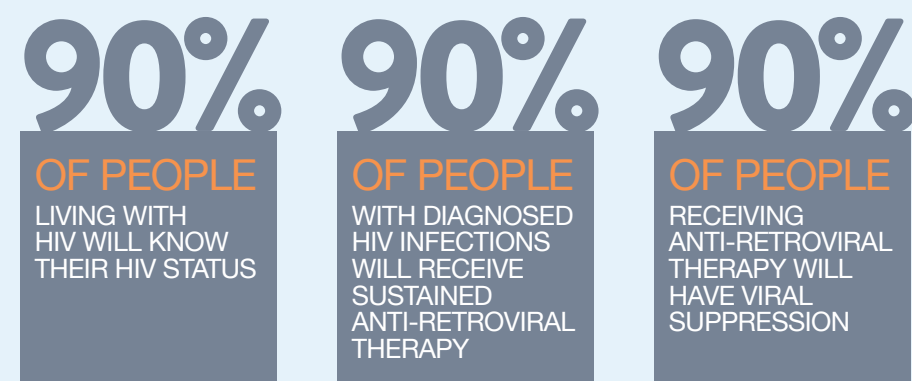
OVER 2 MILLION
NEW INFECTIONS OF
HIV ARE CONTRACTED
EACH YEAR

1,000
NEW INFECTIONS OF HIV
ARE CONTRACTED EACH
DAY IN SOUTHERN AFRICA

THE WINDOW OF OPPORTUNITY

“A cure is not achievable without a vaccine, but epidemic control is achievable.”
PROFESSOR SALIM ABDOL KARIM CHAIR OF UNAIDS SCIENTIFIC EXPERT PANEL

There is a need to act now and adopt the 90,90,90 UNAIDS Fast-Track targets for 2020 to end the AIDS epidemic by 2030.



SUPPORTING YOUNG PEOPLE LIVING WITH HIV

“To me, the ultimate goal is how we reduce new infections, save lives and make sure young people lead the revolution.” **MICHEL SIDIBE** EXECUTIVE DIRECTOR, UNAIDS

THE FACTS

HIV IS THE NUMBER ONE
CAUSE OF DEATH IN
10-19-YEAR-OLDS IN AFRICA
(UNAIDS, 2015)

82% OF ALL ADOLESCENTS
LIVING WITH HIV COME FROM
SUB-SAHARAN AFRICA,
A REGION THAT ACCOUNTS
FOR JUST 16% OF THE
WORLD'S ADOLESCENTS
(UNICEF, 2015)

ONLY 30% OF THE 21,000
10-19-YEAR-OLDS IN LESOTHO
BELIEVED TO BE LIVING
WITH HIV ARE ACCESSING
MEDICATION
(UNAIDS, 2015)

STIGMA AND
DISCRIMINATION REMAINS
THE BIGGEST BARRIER
TO CHILDREN AND YOUNG
PEOPLE ACCESSING CARE
(KI-MOON, THE STIGMA FACTOR, 2008)

ONLY 28% OF MALE
ADOLESCENTS AND 35%
OF FEMALE ADOLESCENTS
IN LESOTHO HAVE A
COMPREHENSIVE
KNOWLEDGE OF HIV
(2008-2012). (UNICEF, 2012)

In 2007, a study by Sentebale showed that children living with HIV suffered from a lack of knowledge and communication about HIV and AIDS issues among fellow infected children, their caretakers, families and friends in Lesotho.

In 2008, Sentebale held the first residential camp for 32 children living with HIV. The camp was designed to provide a safe and supportive environment for children to talk to their peers, often for the first time, about living with HIV. It addressed their emotional wellbeing, instilling them with confidence and ensuring they left camp with knowledge of how to lead a healthy life.

The follow-up to the camp was the development of Sentebale's network clubs and caregiver days, encouraging the continued support and communication learned at camp to extend into homes and communities. The programme was recognised in Lesotho's UNGASS Country Report, in 2010, as being an international model of best practice in the provision of support for children living with HIV.

The programme was highlighted as having:

...effectiveness, ethical soundness, cost effectiveness, relevance, replicability, innovativeness and sustainability.

The first goal of the Camp 'Mamohato Network is to increase life expectancy among HIV-positive children and adolescents in Lesotho. In order to obtain this goal, Sentebale and partners concentrate on teaching HIV-positive children how to live healthy lives, increasing clinic attendance and increasing adherence to anti-retroviral drugs.

The second goal of the network is to reduce the spread of HIV in Lesotho. To reach this goal, Sentebale and partners establish adolescent and youth networks, which foster child-to-child communication, resulting in children teaching other children about the disease. This goal also focuses on opening the lines of communication between children and their caregivers, families, friends and medical staff.



BUILDING A BETTER FUTURE THE 'MAMOHATO CHILDREN'S CENTRE

The 'Mamohato Children's Centre is the flagship facility that supports all of Sentebale's work with vulnerable children in Lesotho.

Named after His Majesty King Letsie III and Prince Seeiso's mother, the late Queen 'Mamohato Bereng Seeiso, who was known as the Mother of the Nation, the centre will be used to hold a range of events and workshops to benefit vulnerable children. These will include hearing assessments for children with hearing disabilities, training workshops for organisations caring for vulnerable children, peer educator workshops and forums and, specifically, it will host camps delivering psychosocial support to children living with HIV.

The centre marks the beginning of Sentebale's plans for expansion, as it aims to support four times as many children and young people living with HIV than it was previously able to cater for in the past. It will serve as a platform for expansion into other southern African countries where there is a similar need.

The 'Mamohato Children's Centre is a place of hope and opportunity for future generations.



The old Sentebale sign points the way to the new 'Mamohato Children's Centre.
Top: work in progress and views around the new Centre.



OUR AIMS FOR 2015/16



Support for children living with HIV to live healthy and confident lives

NETWORK CLUBS AND CAMPS PROGRAMME

- Twelve weeks of camp for children living with HIV, to be held at the 'Mamohato Children's Centre, serving over 1,100 children aged 10 to 19.
- Increase numbers of clubs to 55, aiming to reach 2,000 children each month.
- Outreach activities in four districts will be further increased, supporting all the clinics within each district.
- The documentation of the model of psychosocial support for children living with HIV will be completed and presented at the 2016 International AIDS Conference in Durban.
- A children's conference will be hosted, where children from different backgrounds and needs will convene to discuss with leaders and policy makers issues pertinent to their welfare.
- At national level, the number of technical working groups and steering committees in which Sentebale participates will be increased, and collaboration with the Ministry of Health, Baylor, Elizabeth Glaser Pediatric AIDS Foundation (EGPAF) and United Nations (UN) agencies will be further strengthened.



Strengthen access to education, including life-skills and livelihoods training for herd boys

HERD BOY EDUCATION PROGRAMME

- Train 44 teachers and learning post administrators on lesson-planning and delivery, including lessons on English language.
- Increase the level of support for 11 herd boy schools through the provision of learning and teaching material.
- Train 200 herd boys on Sexual Reproductive Health (SRH) and HIV / AIDS education.
- Improve the livelihood opportunities of herd boys through vocational skills development.
- Facilitate stakeholders' discussion forums on child labour and rights.



Improve the effectiveness of delivery of care and support for vulnerable children and young people through the facilitation, co-ordination and collaboration with organisations in the childcare sector

LETSEMA NETWORK

- 120 peer educators will receive training on holding workshops for 10-24 year-olds on HIV prevention, HIV management, and substance abuse. The programme aims to strengthen young people's communication, negotiation and life skills.
- Six regional and two national forums will be held to enhance co-ordination and collaboration within the childcare sector.
- Letsema will procure and use a Geographic Information System to map the activities of partners in the childcare sector.



Give Lesotho's vulnerable children the opportunity to achieve a secondary school education

SECONDARY SCHOOL BURSARY PROGRAMME

- Support 325 secondary school students with school bursaries to include school fees, books, toiletries, uniform and transport costs.
- Provide training in psychosocial support for principals, Board members and teachers.
- Conduct a career guidance workshop for 200 supported students.
- Create Sentebale alumni of sponsored students to monitor and support their progress.



Empower families and communities to provide care and support for Lesotho's most vulnerable and disadvantaged children

CARE FOR VULNERABLE CHILDREN PROGRAMME

- Support 10 partner organisations through grants, providing care for 1,396 children.
- Increase the focus on outreach, providing income-generation activities for children and their families, and reconnecting children with families and relatives.
- Improve care standards, setting specific milestones on childcare practices as guided by national policies.



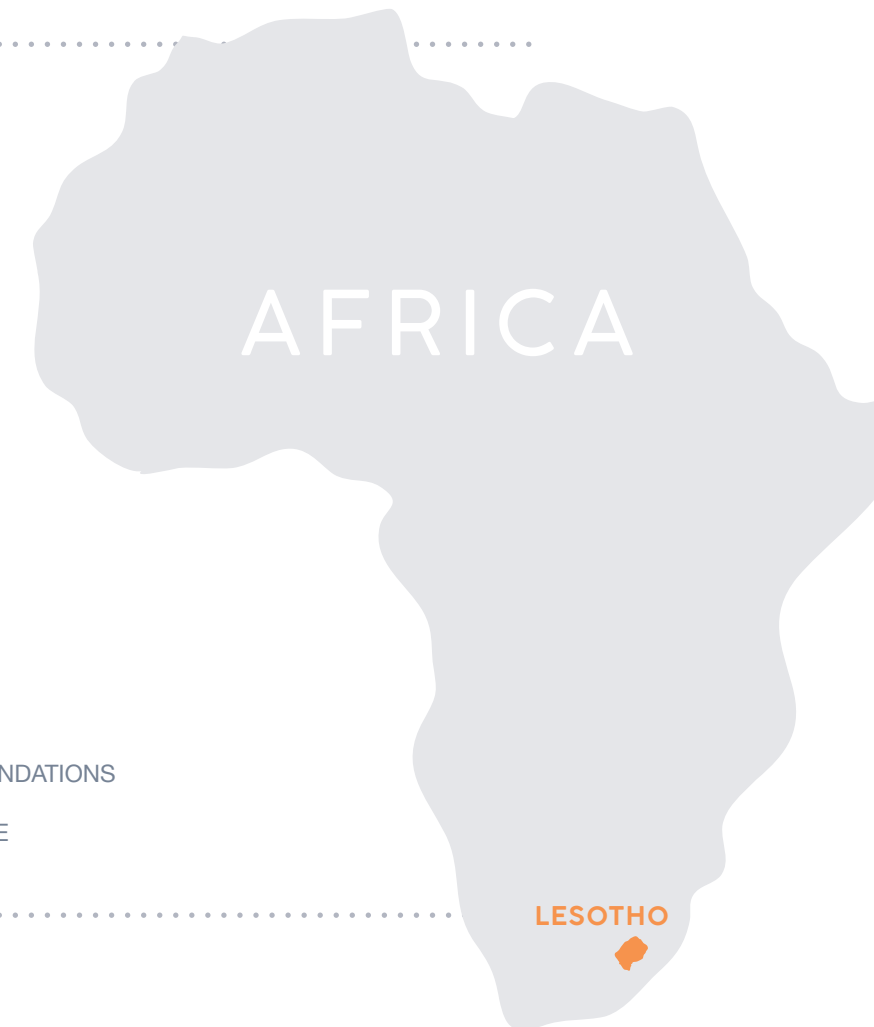
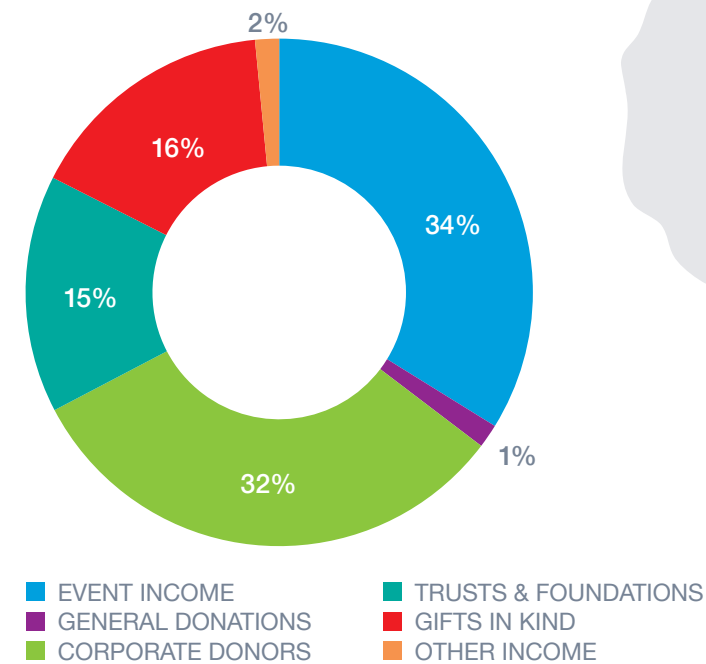
Develop as an effective international organisation

- Deliver income of £4million to support the growth of the programme.
- Continue to increase the capacity of the organisation, recruiting high-calibre senior managers to support the expansion.
- Research new programme opportunities in two southern African countries and provide recommendations to the Board.
- Continue to strengthen the Board, with particular focus on childcare skills.



FINANCE AT A GLANCE

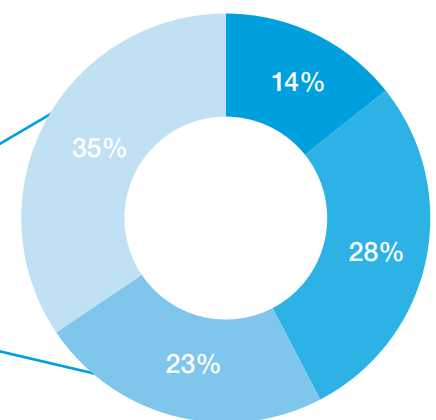
INCOME: £3.432m



EXPENDITURE: £3.275m



CHARITABLE ACTIVITIES: £2.651m



- 'MAMOHATO CENTRE
- HIV / AIDS
- COMMUNITY CARE
- EDUCATION, TRAINING & LEADERSHIP

FINANCIAL REPORT

The results for the period are set out in the statement of financial activities on page 40. The position of the charity at the end of the period is shown in the balance sheet on page 42.

During the year, Sentebale secured incoming resources of £3.432million, an increase of 2% compared with the previous year (2014: £3.373million). Of this £3.432million, £2.311million was unrestricted income, £1.032million was restricted to our current programmes and £89k was restricted to the 'Mamohato Children's Centre'. Included in the total income is £550k of gifts in kind.

The total resources expended in the year were £3.275million (2014: £2.090million). The amount spent on charitable activities was £2.651million (2014: £1.538million). Actual charitable expenditure in Lesotho, in local currency, increased by 44%. This increase has been offset by a GBP gain in exchange rates of 16% in the period.

Charitable expenditure directly related to the vision of supporting orphans and vulnerable children accounted for 77% of income raised (excluding income raised for the 'Mamohato Children's Centre'), fundraising accounted for 17% and governance 1%. The total spent on fundraising activities was £588k, including £511k of gifts in kind. This compares with £522k in 2013/14 (£56k gifts in kind).

The net assets on the balance sheet are £2.844million. These are represented in reserves as unrestricted funds of £629k and restricted funds of £2.215million, of which £1.860million is further restricted to the 'Mamohato Children's Centre'.

The Trustees note that at the year end, the level of unrestricted funds as recommended in our reserves policy (see below for details) was achieved and it is due to continue for the next financial year.

Investment policy

Where appropriate, surplus cash funds are held in fixed term investment accounts in order to maximise the revenues on these funds while ensuring they are available when required.

Reserves policy and going concern

The trustees have formally agreed a reserves policy of a minimum of one-quarter of total annual expenditure on project disbursements, charitable activities and general overheads. This is reviewed on a regular basis.

The trustees have considered the level of reserves required in order to ensure that the charity can meet expenditure that has already been committed, future core costs and budgeted future grant commitments out of existing reserves and future fundraising. The trustees' assessment is that, while future fundraising is not guaranteed, it is likely to be sufficient to meet all of the charity's planned expenditure and the financial statements have been prepared on a going concern basis accordingly. The trustees have considered contingencies for spending if the level of fundraising income varies. In the context of reasonable fluctuations in fundraising income, the trustees consider the level of reserves held to be adequate to meet committed and core expenditure.

Grants policy

The trustees apply all funds available for charitable purposes in the pursuit of ensuring the successful delivery of the charity's objectives to support orphaned and vulnerable children in Lesotho.

Community partner disbursements are approved by the trustees, depending on the nature of the project or beneficiary and the effectiveness of the grant in achieving and fulfilling the objectives of the charity. In order to ensure the most effective grass roots support for children, Sentebale is prepared to provide support to projects that have little or unproven infrastructure, introducing checks to ensure that good governance practices are followed. Growing and supporting these local organisations is essential to Sentebale's mission of sustainable, local development.

Structure, governance and management

Sentebale does not have share capital and is a company limited by guarantee. The company is constituted by its Memorandum and Articles of Association (dated 3 April 2006) as amended by special resolution (dated 25 December 2008). Operations in Lesotho are carried out by what under Lesotho law is a tax exempt Branch Office of a Foreign Company.

The ultimate control of Sentebale is vested in the trustees. The Chairman leads the Board of Trustees and the day-to-day management of the charity is delegated to the Chief Executive. The Secretary is responsible for all legal filings.

Trustees may serve for two terms of three years each, and then retire from the Board, unless there are exceptional reasons for them to be asked to continue to serve. The trustees have identified and reviewed the major risks to which the charity is exposed and have established a risk assessment procedure to identify and anticipate these risks and to consider further risks that may arise. The trustees believe that implementation of agreed actions and procedures have significantly reduced the probability and impact of these risks to an acceptable level.

Indemnity insurance for the trustees was provided during the period at a cost of £2,096. The trustees are unpaid and details of the trustees' expenses are disclosed in Note 7 to the accounts.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Trustees during year ended 31 August 2015 were:

Philip Green, CBE (Chairman)

Dame Nicola Brewer

Tim Boucher*

The Rt Hon The Baroness Chalker of Wallasey

Sophie Chandauka**

Nigel Cox***

Mark Dyer MVO

Johnny Hornby

Khanyisile Kweyama****

Tsitsi Chawatama*****

Damian West

Company Secretary: Cathy Ferrier

* Appointed on 27th November 2014

** Resigned on 15th March 2015

*** Resigned on 27th November 2014

**** Resigned on 16th July 2015

***** Appointed on 16th July 2015

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware;
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in any other jurisdictions.

BY ORDER OF THE BOARD



PHILIP GREEN, CBE
CHAIRMAN, BOARD OF TRUSTEES
17TH MARCH 2016

Independent auditor's report to the members of Sentebale

We have audited the financial statements of Sentebale for the year ended 31 August 2015 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out in the Trustees' Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



EDWARD FINCH, SENIOR STATUTORY AUDITOR
FOR AND ON BEHALF OF BUZZACOTT LLP, STATUTORY AUDITOR
130 WOOD STREET, LONDON EC2V 6DL

Statement of financial activities for the year ended 31 August 2015

		Unrestricted Funds	Restricted Funds		Total Funds 31 Aug 2015	Total Funds 31 Aug 2014
			Programmes	'Mamohato Children's Centre		
Income & expenditure	Note	£000	£000	£000	£000	£000
Incoming resources						
Incoming resources from generated funds:						
Activities for Generating Funds:						
Event income		1,161	-	-	1,161	1,043
Voluntary income:						
General donations		39	13	-	52	284
Corporate donors		882	216	-	1,098	413
Trusts & Foundations		33	480	6	519	1,429
Gifts in kind		147	320	83	550	176
Other income		49	3	-	52	28
Total incoming resources		2,311	1,032	89	3,432	3,373
Resources expended						
Costs of generating funds:	2	588	-	-	588	522
Charitable activities:						
'Mamohato Children's Centre		-	-	379	379	166
HIV/AIDS		402	342	-	744	369
Community Care		411	204	-	615	629
Education, training and leadership		471	442	-	913	374
Total charitable activities	3	1,284	988	379	2,651	1,539
Governance costs:	4	36	-	-	36	30
Total resources expended		1,908	988	379	3,275	2,090

		Unrestricted Funds	Restricted Funds		Total Funds 31 Aug 2015	Total Funds 31 Aug 2014
			Programmes	'Mamohato Children's Centre		
Income & expenditure	Note	£000	£000	£000	£000	£000
(Deficit)/surplus of income over expenditure before transfers	5	403	44	(290)	157	1,283
Transfer between funds		(286)	(18)	304	-	-
(Deficit)/surplus of income over expenditure after transfers		117	26	14	157	1,283
Reconciliation of funds						
Total funds brought forward at 1 September 2014		512	329	1,846	2,687	1,404
Total funds carried forward at 31 August 2015		629	355	1,860	2,844	2,687

All amounts relate to continuing activities of the charity.

The notes on pages 43 to 52 form part of these financial statements.

The charity has no recognised gains or losses other than those in the results above and therefore no separate statement of recognised gains or losses has been presented.

Balance Sheet as at 31 August 2015

	Note	Total Funds 31 Aug 2015	Total Funds 31 Aug 2014
		£000	£000
Fixed assets			
Tangible assets	9	85	41
Assets under construction: 'Mamohato Children's Centre	9, 16	1,789	524
		1,874	565
Current assets			
Debtors	10	843	1,057
Cash at bank and in hand		485	1,605
		1,328	2,662
Creditors: amounts falling due within one year	11	(358)	(540)
Net current assets	16	970	2,122
Net assets		2,844	2,687
Funds			
Unrestricted funds	13	629	512
Restricted funds: Programmes	14	355	329
Restricted Funds: 'Mamohato Children's Centre	15	1,860	1,846
Total funds		2,844	2,687

Approved by the trustees on 17th March 2016 and signed on their behalf by:



PHILIP GREEN, CBE
CHAIRMAN, BOARD OF TRUSTEES

Notes to the financial statements for the year ended 31 August 2015

1. Principal accounting policies

a. Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, applicable accounting standards and the Statement of Recommended Practice “Accounting and Reporting by Charities” (2005). The accounting policies below have been adopted consistently for all material items.

b. Tangible fixed assets

Tangible fixed assets are stated at historical cost less depreciation and applicable impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset to its estimated residual value evenly over its expected useful life, as follows:

Fixtures and fitting	5 yrs on a straight line basis
Computer equipment	3 yrs on a straight line basis
Motor vehicles	5 yrs on a straight line basis

Assets under construction consist of professional fees and construction costs of the 'Mamohato Children's Centre project. Depreciation will be charged once the asset is brought into use.

c. Incoming resources

Income is accounted for when receivable. It is deemed to be receivable either when there is a contract for its receipt and Sentebale considers that any outstanding conditions under the contract have been met, or when Sentebale has become entitled to a future payment and its amount can be ascertained with reasonable certainty. Funds received in one accounting period for expenditure that must take place in subsequent accounting periods are not accounted for as income but are carried forward in creditors as deferred income.

Event income includes receipts from fundraising events as well as any insurance receipts if events are cancelled.

Donated services are recognised as an incoming resource at the value that the charity would have paid to otherwise obtain the resources concerned.

d. Resources expended

Resources expended are accounted for on an accruals basis. They are analysed in the statement of financial activities in accordance with the purposes for which the funds are applied. Where expenditure does not fall clearly into one category, it is located to the appropriate headings on a reasonable percentage basis.

The basis of allocation is determined on the approximate proportion of costs applicable to each category based on time spent on each activity.

Cost of generating voluntary income comprises fundraising and event costs, as well as marketing, PR and website development.

Costs of charitable activities represents staff costs, Sentebale programme costs, partner disbursements, support and other direct costs associated with undertaking the activities and objects of the charity.

Governance costs of the charity comprise those costs relating to strategic rather than day-to-day management of Sentebale's activities. This includes such items as audit costs, legal advice and constitutional and statutory requirements.

e. Partner distribution

Financial support to partners is recognised in the statement of financial activities when approved by the Trustees as part of the budget process and a Memorandum of Understanding has been signed with the partner. The charity monitors and reviews the grants according to agreed budgets and payments are issued on a quarterly basis. Cancelled commitments are credited to the statement of financial activities when the cancellation has been ratified by the Trustees.

f. Restricted funds

These funds can only be used for purposes as specified by the donor and are listed in notes 14 and 15.

g. Unrestricted general funds

The unrestricted general funds are available to cover all costs of the organisation.

h. Foreign exchange

During the period, the reported Income and Expenditure in Lesotho was translated at the monthly average rate of exchange.

Any adjustments are made for balance sheet items at the prevailing rate of exchange. The rate applied on 31 August 2015 was £1=20.44 Loti (2014: £1=17.67Loti).

i. Cash flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 “Cash flow statements”. However, as best practice, monthly cash flow forecasts are provided as part of the monthly management accounts.

j. Going concern

As described within the Trustees’ report, the financial statements have been prepared on a going concern basis.

2. Cost of generating funds

	Total Funds 31 Aug 15	Total Funds 31 Aug 14
	£000	£000
Events	193	166
Cost of generating income	227	168
Support costs	168	188
Cost of generating funds	588	522

The above costs relate to income generated and recognised in the current period.

The events expenditure includes £140k of Gifts in kind (2014: £56k).

3. Charitable activities

Charitable activities	Related activities	Programme costs	Grant funding activities	Total in-country costs	Total in-country costs	Support costs	Total August 2015	Total August 2014
		£000	£000	£000	LSL000	£000	£000	£000
'Mamohato Children's Centre	Construction of the 'Mamohato Children's Centre	141	-	141	8	238	379	166
HIV/AIDS	'Mamohato Camps and Network Clubs	674	-	674	12,060	70	744	369
Community Care	Care for vulnerable children	148	394	542	8,479	73	615	629
Education, Training and Leadership	Herd Boys	233	-	233	2,426	43	276	223
	Letsema	232	-	232	2,304	43	275	151
	School bursaries	125	194	319	4,233	43	362	-
Total	31 Aug 15	1,553	588	2,141	29,510	510	2,651	1,538
Total	31 Aug 14	908	431	1,339	20,548	199	1,538	-

Programme expenditure might cover more than one activity and so it is allocated to its primary purpose. Support costs consist of UK staff costs and office costs, which have been apportioned on the basis of time spent. They also include foreign exchange differences for the year.

4. Governance costs

	Total Funds 31 Aug 15	Total Funds 31 Aug 14
	£000	£000
Legal Fees	-	8
Audit Fees	29	19
Board and trustee expenses	7	3
	36	30

5. Net incoming resources

	Total Funds 31 Aug 15	Total Funds 31 Aug 14
	£000	£000
This is stated after charging:		
Auditors remuneration:		
Audit fee to financial statements auditor – current year audit	12	12
Audit fees payable to financial statements auditor – prior year audit	3	4
Audit fees payable to other auditors	9	3
Other fees payable to financial statements auditor	5	2
Depreciation	19	18

6. Partner disbursements

	No of grants 2015	31 Aug 15	No of grants 2014	31 Aug 14
		£000		£000
Care for Vulnerable Children	11	394	11	320
Education, training and leadership (school bursaries)	423	194	256	110
Total partner disbursements	434	588	267	430

7. Staff head count

	2015	2014
The average weekly number of persons employed by the charity expressed on a full-time equivalent basis was:		
Programme	25	22
Fundraising	3	3
Other	3	2
	31	27
Lesotho based	24	21
London based	7	6
	31	27
Lesotho based staff are operational and are employed to deliver services to orphans and vulnerable children in Lesotho.		
	31 Aug 2015	31 Aug 2014
	£000	£000
Staff costs comprised:		
Wages and salaries	592	523
Social security	48	36
Other pension costs	38	27
	678	586
	2015	2014
	No	No
Number of employees earning over £60,000 per annum, including taxable benefits, was:		
£120,001 – 130,000	1	1

Trustees

In the year, Trustees were reimbursed travel expenses of £7,468 (2014: £3,204). Indemnity insurance including cover for the Trustees was provided in the period at a cost of £2,096 (2014: £1,915).

8. Taxation

Sentebale is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The company is also recognised as a registered charity in Lesotho and as such, for taxation purposes, is entitled to exemption from Lesotho taxation.

9. Tangible fixed assets

	Assets under construction	Motor vehicles	Fixtures, fittings and equipment	Total
	£000	£000	£000	£000
Cost or Valuation:				
Balance brought forward 31 August 2014	524	85	96	705
Additions	1,333	16	51	1,400
Foreign exchange movement	(68)	(12)	(5)	(85)
Disposals	-	(34)	-	(34)
Balance carried forward 31 August 2015	1,789	55	142	1,986
Depreciation:				
Balance brought forward 1 September 2014	-	59	80	139
Foreign exchange movement	-	(8)	(4)	(12)
Disposals	-	(34)	-	(34)
Charge for the period	-	6	13	19
Balance carried forward 31 August 2015	-	23	89	112
Net book value:				
Brought forward 1 September 2014	524	26	15	565
Carried forward 31 August 2015	1,789	32	53	1,874

10. Debtors

	31 Aug 2015	31 Aug 2014
	£000	£000
Donations receivable	728	953
Other debtors	99	91
Prepayments	16	13
	843	1,057

11. Creditors

	31 Aug 2015	31 Aug 2014
	£000	£000
Amount falling due within one year:		
Commitments to partners	175	260
Trade creditors	1	13
Other creditors	23	29
Accruals and deferred income	159	238
	358	540

Commitments to partners represents the financial support approved by the Board of Trustees as part of the budget process. A Memorandum of Understanding has been signed by Sentebale and the partner, detailing the financial commitments made by Sentebale, paid in quarterly instalments throughout the following financial year.

12. Members' liability

The charity does not have share capital and is limited by guarantee. In the event of the charity being wound up, the maximum amount each member is liable to contribute is £1. There were eight members at 31 August 2015.

13. Unrestricted funds

	Balance 1 Sept 2014	Incoming resources	Resources expended	Transfer between funds	Balance 31 Aug 2015
	£000	£000	£000	£000	£000
General funds	512	2,311	1,908	(286)	629

General funds represent all unrestricted income received and are used to undertake the work of the charity.

14. Restricted funds: Programmes

	Balance 1 Sept 2014	Incoming resources	Resources expended	Transfer between funds	Balance 31 Aug 2015
	£000	£000	£000	£000	£000
HIV/AIDS	180	334	342	(7)	165
Community Grant Partners	141	229	204	(4)	162
Education, training and leadership	8	469	442	(7)	28
Restricted funds	329	1,032	988	(18)	355

Restricted funds relate to donations received for specific projects and held at the year end.

15. Restricted funds: 'Mamohato Children's Centre

	Balance 1 Sept 2014	Incoming resources	Resources expended	Transfer between funds	Balance 31 Aug 2015
	£000	£000	£000	£000	£000
Restricted Funds	1,846	89	379	304	1,860

No depreciation has been charged on the 'Mamohato Children's Centre in the year and will be charged when the centre is complete in the next financial year. Thereafter, appropriate depreciation will be charged annually to the Income and Expenditure account.

The balance sheet amount of £1,789k (2014: £524k) relates to capital expenditure on the construction of the centre and professional fees incurred. The resources expended above relate to construction of the centre plus any technical/professional fees paid to date.

16. Net assets between funds

	Unrestricted Funds	Restricted Funds		Total Funds 2014-15
		Programmes	'Mamohato Centre	
	£000	£000	£000	£000
Fixed assets				
Tangible assets	85	-	1,789	1,874
Current assets				
Debtors	824	7	12	843
Cash at bank and in hand	61	355	69	485
	885	362	81	1,328
Creditors: amounts falling due within one year	(341)	(7)	(10)	(358)
Net current assets	544	355	71	970
Net assets	629	355	1,860	2,844

17. 'Mamohato Children's Centre commitments

At 31 August 2015 the charity had the following capital commitments:

	2015	2014
	£000	£000
Authorised and contracted for	270	1,065
Authorised and not contracted for	39	592

The Board of Trustees gave formal approval to proceed with the development of the 'Mamohato Children's Centre on 19 September 2013, at an agreed budget, and construction began in May 2014. Since the year end, the centre has opened (November, 2015).

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Saeed Bin Draï
Savills
School Aid
SeriousFun Children’s Network
St. Regis Hotels & Resorts
Starwood Hotels
Swarovski
The AE Cooper-Dean Charitable Foundation
The Allan and Nesta Ferguson Charitable Trust
The Anglo American Group Foundation
The David Brownlow Foundation
The James, Paris, and Deborah Burrows Foundation
The Magheramorne Foundation
The Make A Difference Trust
The Queen’s Trust
The Starkey Hearing Foundation
UNICEF Lesotho
Vodafone Foundation



REPORT & ACCOUNTS 2014-2015

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