

REGISTERED COMPANY NUMBER: 05147284 (England and Wales)
REGISTERED CHARITY NUMBER: 1104396

**Report of the Trustees and
Financial Statements for the Year Ended 31 December 2018
for**

**Nyumbani UK And The Hotcourses
Foundation**

Grunberg & Co Limited
Chartered Accountants
5 Technology Park
Colindeep Lane
Colindale
London
NW9 6BX

**Nyumbani UK And The Hotcourses
Foundation**

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for the Year Ended 31 December 2018**

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**Nyumbani UK And The Hotcourses
Foundation**

**Report of the Trustees
for the Year Ended 31 December 2018**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of 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).

Nyumbani UK And The Hotcourses Foundation

Report of the Trustees for the Year Ended 31 December 2018

OBJECTIVES AND ACTIVITIES

Objectives and aims

Nyumbani UK and The Hotcourses Foundation (formerly The Hotcourses Foundation) is constituted as a Nyumbani UK and The Hotcourses Foundation (formerly The Hotcourses Foundation) is constituted as a company limited by guarantee (incorporated on 7 June 2004) and is therefore governed by its memorandum and articles of association. The objectives of the Charity, as set out in the memorandum and articles of association, are:

- to advance the education and training (including the social and physical education and training) of persons resident anywhere in the world;
- to relieve persons resident anywhere in the world who are in need, hardship or distress (including any need, hardship or distress as a result of any illness, disease or disability);
- that special facilities may be provided for persons who by reasons of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities and services;
- to promote and preserve good health and well-being through community participation in healthy recreation;
- such other charitable purposes beneficial to the community consistent with the objectives above as the trustees shall in their absolute discretion determine.

The Trustees currently have a policy of supporting projects with a primary focus on education and support for children that can be carefully monitored to ensure the funds are properly applied.

Our objective is to make a measurable, tangible difference to the lives of children in some of the poorest parts of the world. We have focused on orphans suffering due to AIDS and HIV living in East Africa. We currently work in partnership with a Kenyan organisation called COGRI/Nyumbani, a well-established local organisation where there is a track record of effective and corruption free administration. They have three significant projects currently helping over 4,500 children. There is a children's home in Nairobi for HIV positive children, who have been orphaned or abandoned, currently home to just over 120 children; an outreach program named Lea Toto working to support children with HIV and AIDS living in the eight informal settlements of Nairobi; and the Nyumbani Village which is a community that has been built to give a family home, healthcare, security and an education to children who have lost both their parents to AIDS. In recent years the Charity has had a strong focus on education within the projects but has also supported capital projects, including the building of new homes for children, a sports pitch, a library and labs for the schools in the Village and homes for teachers.

The majority of the administration costs of the Nyumbani UK and The Hotcourses Foundation are covered by IDP Connect Limited, to ensure that donations go directly to our projects. Two part time independent contractors in Kenya work with the COGRI/Nyumbani Lea Toto program staff to monitor the children who are supported by the Hotcourses Scholarship Fund for the benefit of the children in the Lea Toto program. We receive a donation in-kind from IDP Connect Ltd to cover the cost of those two individuals as well as the availability of staff members who assist with the financial administration of the charity. The in-kind donation from IDP Connect Ltd also covers the salary of a part time consultant who works as an independent contractor for the charity. All other work is by the volunteer board members, trustees and other volunteers.

Application of the Charity's funds

During the course of 2018, Nyumbani UK and The Hotcourses Foundation has sent funds to support the following:

Hotcourses Primary School

The Foundation continues to support the running costs of the Hotcourses Primary School which currently has 673 children enrolled and is performing well in district and national league tables.

Lawson High School

The Foundation continues to support the running costs of the Lawson High School. The school currently has 318 children and all classrooms blocks have been completed in addition to a science block, administration block, library and computer laboratory.

Hotcourses Scholarship Fund for the benefit of children in the Lea Toto Program, Nairobi

The Foundation continues to support the education of around 132 children living in the Nairobi slums, most of whom are HIV positive. This support includes paying school fees, buying uniforms and shoes, paying for books, exam fees, providing school meals and regularly monitoring their progress.

Nyumbani Children's Home, Nairobi

Funds were sent as sponsorship for individual children through direct donors.

**Report of the Trustees
for the Year Ended 31 December 2018**

OBJECTIVES AND ACTIVITIES

Objectives and aims

Tertiary Education

Donor directed funds were directed towards the cost of tertiary education for those children as determined by the COGRI staff in Kenya.

Application of the Charity's funds

During 2018, a significant amount of time in the first five months of the year was dedicated meeting the requirements of GDPR. Alongside that effort, a new database was built to ensure the donors to the Hotcourses Scholarship Fund could be kept updated as to the progress of their sponsored children. A review of the social media presence led to the merger of the two previously existing Facebook pages and the revitalisation of other social media platforms. The existing donor database was cleansed and updated with a view to moving to a cloud-based system in 2019.

Fundraising efforts focused mainly on social events such as the annual gala dinner which then combines with the monthly regular donor base and significant donor group to meet the funding objectives for the year.

A Giving Back team at IDP Connect Ltd works on a volunteer basis to support fundraising efforts and awareness of the charity and its objectives.

Public benefit

The trustees confirm that they have referred to the Charity Commission's public benefit guidance when carrying out past and planning future activities.

Through the programmes supported by our charity many underprivileged children in Kenya receive access to education, comprehensive medicine and healthcare support, housing & community. A solid education provides a way for the vulnerable to pull themselves out of poverty. Children who are HIV+ with the right medicines, healthy diet and well managed lifestyle can expect to have normal life expectancies but our programme is vital to ensure successful outcomes. A self-sustainable Village provides a family-like setting for orphaned children under the stewardship of elderly adults and seeks to ensure that the children receive love, sustenance, healthcare, holistic education and culture transfer, aiming at their physical and psychological development, and, at the same time, providing holistic care and support for the grandparents in their later years.

FINANCIAL REVIEW

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to at least six months' expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

FUTURE PLANS

We are proud of our accomplishments, but challenges remain as our children enter adulthood. Therefore, we plan to continue raising funds to maintain and expand our primary and secondary schools and to support the older children into tertiary education and vocational training for the workplace. This is being done by continuing to hold annual fundraising events along with exploring avenues such as sponsored sports events, submitting grant applications, further corporate sponsorships and expanding the regular donor base. This will be done by looking to yet again extend our social media presence and seeking to further extend out donor base through personal outreach to individuals.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Two trustee resignations were tendered in 2018 with one new appointment.

**Nyumbani UK And The Hotcourses
Foundation**

**Report of the Trustees
for the Year Ended 31 December 2018**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have considered the major risks to which the charity is exposed. First main risk is lack of incoming funds. To maintain this risk trustees have implemented the policy on reserves and always look for new opportunities to diversify the sources of income. The other risk is unauthorised expenditure of the funds. The trustees regularly review the risk management system and financial controls and procedures to prevent the fraudulent activities. We have a secure donor database and follow the guidelines of GDPR to ensure compliance with data protection legislation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05147284 (England and Wales)

Registered Charity number

1104396

Registered office

First Floor Bedford House
69-79 Fulham High Street
London
SW6 3JW

Trustees

Mr S Cleaver

Mr M G Elms

Mr J Hunt

Baroness Morris of Yardley

- resigned 17.1.2018

Ms S K Popple

- resigned 14.6.2019

Mr S R M Philips

Ms A Williams

- resigned 6.11.2018

Mrs C M Shirvani

- appointed 17.1.2018

Mr J M Southgate

- appointed 6.3.2019

Company Secretary

Mr M G Elms

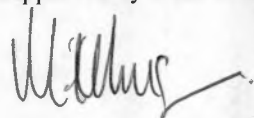
Independent examiner

Grunberg & Co Limited
Chartered Accountants
5 Technology Park
Colindeep Lane
Colindale
London
NW9 6BX

WEBSITE

www.nyumbani.org.uk

Approved by order of the board of trustees on 23 September 2019 and signed on its behalf by:



Mr M G Elms - Trustee

**Independent Examiner's Report to the Trustees of
Nyumbani UK And The Hotcourses
Foundation**

Independent examiner's report to the trustees of Nyumbani UK And The Hotcourses Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2018.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Gedalia Waldman
ICAEW
Grunberg & Co Limited
Chartered Accountants
5 Technology Park
Colindeep Lane
Colindale
London
NW9 6BX

26 September 2019

**Nyumbani UK And The Hotcourses
Foundation**

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2018**

	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	206,643	59,003	265,646	230,387
Other trading activities	3	122,187	-	122,187	90,449
Investment income	4	978	-	978	-
Total		329,808	59,003	388,811	320,836
 EXPENDITURE ON					
Raising funds	5	69,578	-	69,578	64,870
Charitable activities	6				
College and tuition fees		99,023	66,547	165,570	363,672
Other		-	-	-	13,870
Total		168,601	66,547	235,148	442,412
 NET INCOME/(EXPENDITURE)		161,207	(7,544)	153,663	(121,576)
 RECONCILIATION OF FUNDS					
Total funds brought forward		365,533	41,944	407,477	529,053
 TOTAL FUNDS CARRIED FORWARD		526,740	34,400	561,140	407,477

The notes form part of these financial statements

**Nyumbani UK And The Hotcourses
Foundation**

**Statement of Financial Position
At 31 December 2018**

	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
CURRENT ASSETS					
Debtors	8	9,691	-	9,691	298,745
Cash at bank		518,299	34,400	552,699	380,982
		<u>527,990</u>	<u>34,400</u>	<u>562,390</u>	<u>679,727</u>
CREDITORS					
Amounts falling due within one year	9	(1,250)	-	(1,250)	(272,250)
NET CURRENT ASSETS		<u>526,740</u>	<u>34,400</u>	<u>561,140</u>	<u>407,477</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>526,740</u>	<u>34,400</u>	<u>561,140</u>	<u>407,477</u>
NET ASSETS		<u><u>526,740</u></u>	<u><u>34,400</u></u>	<u><u>561,140</u></u>	<u><u>407,477</u></u>
FUNDS	10				
Unrestricted funds				526,740	365,533
Restricted funds				<u>34,400</u>	<u>41,944</u>
TOTAL FUNDS				<u><u>561,140</u></u>	<u><u>407,477</u></u>

The notes form part of these financial statements

**Nyumbani UK And The Hotcourses
Foundation**

**Statement of Financial Position - continued
At 31 December 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 23 September 2019 and were signed on its behalf by:



Mr M G Elms -Trustee

**Notes to the Financial Statements
for the Year Ended 31 December 2018**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There are no material uncertainties regarding the going concern of the charity.

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

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of disclosure exemptions in preparing these financial statements, as permitted by Bulletin 1 of the Charities SORP (FRS 102).

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Donated goods, facilities and services

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

1. ACCOUNTING POLICIES - continued

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Debtors

Basic financial assets including trade and other debtors are initially recognised at transaction price, less any impairment.

Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loan from related parties are recognised at transaction price.

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations	255,955	225,466
Gift aid receivable provision	9,691	4,921
	<u>265,646</u>	<u>230,387</u>

3. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Fundraising events	<u>122,187</u>	<u>90,449</u>

4. INVESTMENT INCOME

	2018	2017
	£	£
Deposit account interest	<u>978</u>	<u>-</u>

5. RAISING FUNDS

Raising donations and legacies

	2018	2017
	£	£
Fundraising activities	67,869	64,870
Support costs	1,709	-
	<u>69,578</u>	<u>64,870</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

6. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities	Totals
	£	£
College and tuition fees	<u>165,570</u>	<u>165,570</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2018 nor for the year ended 31 December 2017.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	-	287,670
Prepayments and accrued income	<u>9,691</u>	<u>11,075</u>
	<u>9,691</u>	<u>298,745</u>

During the year, no impairment provisions have been made against any class of debtors.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Accrued expenses & deferred income	<u>1,250</u>	<u>272,250</u>

10. MOVEMENT IN FUNDS

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	365,533	161,207	526,740
Restricted funds			
Restricted funds	41,944	(7,544)	34,400
TOTAL FUNDS	<u>407,477</u>	<u>153,663</u>	<u>561,140</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

10. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	329,808	(168,601)	161,207
Restricted funds			
Restricted funds	59,003	(66,547)	(7,544)
TOTAL FUNDS	<u>388,811</u>	<u>(235,148)</u>	<u>153,663</u>

Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
Unrestricted Funds			
General fund	485,253	(119,720)	365,533
Restricted Funds			
Restricted funds	43,800	(1,856)	41,944
TOTAL FUNDS	<u>529,053</u>	<u>(121,576)</u>	<u>407,477</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	265,946	(385,666)	(119,720)
Restricted funds			
Restricted funds	54,890	(56,746)	(1,856)
TOTAL FUNDS	<u>320,836</u>	<u>(442,412)</u>	<u>(121,576)</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.17 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	485,253	41,487	526,740
Restricted funds			
Restricted funds	43,800	(9,400)	34,400
TOTAL FUNDS	<u>529,053</u>	<u>32,087</u>	<u>561,140</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	595,754	(554,267)	41,487
Restricted funds			
Restricted funds	113,893	(123,293)	(9,400)
TOTAL FUNDS	<u>709,647</u>	<u>(677,560)</u>	<u>32,087</u>

11. RELATED PARTY DISCLOSURES

At the balance sheet date a balance of £Nil (2017: £19,324) was owed to the charity from Nyumbani UK.

12. DONATED GOODS, FACILITIES AND SERVICES

	2018 £	2017 £
Seconded staff	43,034	36,272
Other	23,643	29,847
	<u>66,677</u>	<u>66,120</u>

Recognition and valuation of donated goods, facilities and services are accounted as donation in kind income valued at the cost incurred. Goods donated for the charity's annual event auction are recognised in income received from the auction.

Other forms of other donated goods and services not recognised in the accounts are sports kits, shoes, and books taken directly to Nyumbani village.

13. RESTRICTED FUNDS

Restricted funds are in relation to Lawson High School and towards helping Nyumbani children to go to tertiary education . The funds are discussed in more detail in the report of the Trustees.