

**Tertiary Education Scholarship Trust for Africa
(a Charitable Trust)**

Annual Report and Unaudited Financial Statements

30 June 2019

(Registered Charity: 1124600)

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Legal and administrative information

Trustees to the charity (“the managers”)

Dr N D Brown, Chairman

Dr K Lloyd

Mr K E Lloyd

Mr N Ndeunyema

Mr F Nyikosa

Dr F Meinck

Mr D Travers

Mrs J M Travers

Mr S Abul-Razak (resigned 30 September 2018)

Mr M Grace (resigned 16 January 2019)

Mr F M Mtumbuka (appointed 16 January 2019)

Treasurer

Mr K E Lloyd

Secretary

Mr F Nyikosa

Principal office

16 Tunley Road

London

SW17 7QJ

Charity number

1124600

Independent Examiner

Cleland & Co Limited

First Floor

Harbour Court

Les Amballes

St Peter Port

Guernsey

GY1 1WU

Bankers

HSBC

The Peak

333 Vauxhall Bridge Road

Victoria

London

SW1V 1EJ

Report of the Trustees

for the year ended 30 June 2019

The Trustees are pleased to present their report together with the unaudited accounts of the charity for the year ended 30 June 2019. The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's trust deed, The Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Reference and administrative details

Charity name:

Tertiary Education Scholarship Trust for Africa (“TEST for Africa”)

Charity number:

1124600

Principal office address:

16 Tunley Road
London
SW17 7QJ

Trustees:

Dr Nick BROWN - Chairman
Dr Keith LLOYD - Trustee
Mr Kim Erik LLOYD - Trustee
Mr Franziska MEINCK – Trustee
Mr Ndjodi NDEUNYEMA – Trustee
Mr Favor NYIKOSA – Trustee
Mr David TRAVERS - Trustee
Mrs Joanna Marguerite TRAVERS - Trustee
Mr Saled ABUL-RAZAK – Trustee (resigned 30 September 2018)
Mr Matthew GRACE – Trustee (resigned 16 January 2019)
Mr Frank Martin MTUMBUKA - Trustee (appointed 16 January 2019)

Advisors and Supporters:

Cleland & Co Limited
Hitachi Chemical (Europe) GmbH
The Madrinha Trust

Principal Donors:

The Travers Family
The Lloyd Family
Hitachi Chemical Corporation GmbH
Fun(d)raisers of Belgium
The Madrinha Trust

Web-Site:

www.testforafrica.com

Structure and governance

The charity is an unincorporated entity governed by a trust deed. The Board of Trustees is responsible for the recruitment and appointment of new Trustees. When making new appointments, any existing Trustee may nominate a new Trustee who will be subject to scrutiny and approval by the existing Trustees.

Appointments are made on the basis of their potential for adding value to the charity principally in terms of credibility and fund raising. The Trustees also endeavour to assess the extent of their shared belief in the aims and objectives of the charity, plus the degree of commitment that any new Trustee is prepared to devote to the charity.

Report of the Trustees

for the year ended 30 June 2019

Structure and governance (continued)

TEST for Africa maintains a balance of experienced existing significant donors and fresh appointees from the African student body at Linacre College, Oxford University, who upon their return to their country of origin are replaced by a African student. Should the former Trustee return to Ghana, Malawi, Tanzania or Uganda, they are encouraged to participate in the running of the local TEST organisation.

Reserves Policy

The Trustees have adopted a policy of maintaining sufficient funds in reserve to cover a minimum of one year's expenditure, net of dividend income from named Endowment Funds.

Vision

In deciding upon the vision which the charity should undertake the Trustees have paid due regard to the Charity Commission's guidance on public benefit. The vision of the charity is to aid in the sustainable social and economic development of Africa by enabling bright but needy students to receive tertiary education and subsequently return to work within their communities and their nation.

Mission

To provide educational opportunities, advance knowledge, and promote social responsibility by raising funding, assisting with the creation of transparent local Charitable Trusts in developing countries with appropriate infrastructure and political stability, financing the awards of scholarships for local tertiary education, monitoring Scholars' academic achievements and encouraging personal long term commitment to community and/or national development.

Report from the Trustees

Now that we have entered our second decade since the formation of "TEST for Africa" we are proud to see so many of the graduates from our programme excelling in their achievements, both academically, and in their careers.

We have many whom having achieved excellent grades as undergraduates, have moved on to post graduate education in the UK, China, Japan, Kenya, Nigeria and Germany as a prelude to returning home to fulfill their pledges to contribute to the social and economic development of their communities and nations.

We also have more than 500 who are now in full time employment working in important roles in diverse activities ranging from surgery, medicine, nursing, midwifery, biomedical science, agriculture, engineering, water science, IT, education, etc.

In several countries our alumni are already giving back to the next generation of students by either fundraising or even from their own limited funds to provide access to University for others who are following them. We also have programmes where current scholars organise and participate in the clean-up of either their campus or local villages.

In the annex to this Annual Report, we have included several testimonials from our graduates which highlight the change that TEST for Africa is making to the lives of those who are academically brilliant, yet struggled to find the funding to attend University, and who are making a difference to society now that they have graduated.

Although 2018/2019 was yet again a challenging year in terms of fundraising, we are happy to report that we received a boost from a new relationship which we have formed with The Madrinha Trust, a UK based charity which is now proving funding for a total of 10 scholarships in Uganda and Tanzania. These fully funded Madrinha Scholarships are administered by TEST for Africa with Madrinha providing one on one counselling and mentoring.

We can also report that one of our existing donors, the Travers family, who have recently pledged a major donation to boost the existing Endowment (The John and Jennie Travers Endowment) which will boost our future regular income.

Finally, we can report that we have been nominated by ICAP to as one of their charities to benefit from their London annual Charity Day where millions of Pounds are raised and distributed among many charities.

Report of the Trustees

for the year ended 30 June 2019

Report from the Trustees (continued)

Our total income in the last financial year amounted to £64,565.

Donations for scholarship support amounted to £38,010; a further £8,050 was received for the Administration Fund, and additional income from investments amounted to £18,505.

A total of £114,050 was disbursed from both Scholarship Fund and Administration Fund as follows:

For Scholarships:

£40,000 to TEST for GHANA;
£25,000 to TEST for MALAWI
£27,550 to TEST for UGANDA
£13,150 for TEST for MALAWI

For Administration support:

£5,000 to TEST for GHANA
£3,000 to TEST for MALAWI
£350 for TEST for TANZANIA

For HSBC Bank Charges:

£270

The shortfall was funded by the withdrawal from our reserves.

During the fiscal year, the value of our investments under the management of CCLA Investments Limited, comprising principally The Kim and Sarra Lloyd Endowment, the John and Jennie Travers Endowment and the Dr Harry Potter Endowment increased by 8.4 % from £529,539 to £573,688.

There was a small addition of £739 to the Dr Harry Potter Endowment Fund.

Over 300 scholarships were awarded by our local TEST charities, of which more than 50% were to females, continuing our progression to achieving our aim of a 60% female bias.

TEST for GHANA made a total of 144 scholarship awards to students at 18 Ghanaian public universities and polytechnics.

TEST for MALAWI made only 70 scholarship awards as we continue to be impacted by the previously announced quadrupling of academic fees which has severely impacted on the number of scholarships.

TEST for UGANDA continues to make excellent progress, having made a total of 70 awards this year. The numbers of awards continue to grow as they progress towards self-sustainability in terms of local funding.

TEST for TANZANIA made its first awards. A total of 20 scholarships were given this year.

One of our Trustees, Dr Favour Nyikosa has produced a feasibility study for the commencement operations in Zambia, based on the same model which we use in our existing operations. This would require the formation of TEST for ZAMBIA and is dependent on us receiving sufficient financial support for seed funding for the first 3 to 5 years from both current and additional donors.

We recently completed the redesign and refreshment of our TEST family web sites and wish to acknowledge the work of John Mornement and Dr Franziska Meinck who have generously given considerable time to this project.

In addition we have launched the biannual publication of a TEST for Africa Newsletter providing highlights of the progress of several of our current TEST Scholars and Alumni. Emmanuel Mawuli Abalo and Dr Franziska Meinck are leading this project. The first edition is attached as an annex to this Annual Report.

Report of the Trustees

for the year ended 30 June 2019

Report from the Trustees (continued)

As ever, we wish to express our gratitude to all of our Trustees in Ghana, Malawi, Uganda and Tanzania and to our Supporters for their tireless, pro-bono dedication and generosity to our shared cause.

Approved by the Trustees and signed on their behalf by:

N D Brown

Chairperson of the Board of Trustees (Committee of Management)

K Lloyd

Trustee

16 April 2020

Independent examiner's report to the trustees of Tertiary Education Scholarship Trust for Africa

I report to the charity trustees on my examination of the unaudited financial statements of the charity for the year ended 30 June 2019, which are set out on pages 8 to 15.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.

V Webster
ACA

Cleland & Co Limited
Chartered Accountants
First Floor
Harbour Court
Les Amballes
St Peter Port
Guernsey
GY1 1WU

28 April 2020

Statement of Financial Activities

for the year ended 30 June 2019

Consolidated funds

	<i>Notes</i>	<i>Unrestricted funds £</i>	<i>Endowment funds £</i>	<i>Total funds 2019 £</i>	<i>Total funds 2018 £</i>
Income					
Donations & gifts		46,060	-	46,060	154,921
Dividends		18,352	-	18,352	17,456
Bank interest receivable		153	-	153	190
Total income		<u>64,565</u>	<u>-</u>	<u>64,565</u>	<u>172,567</u>
Expenditure					
Direct charitable expenditure	2	(114,050)	-	(114,050)	(98,567)
Bank charges		(270)	-	(270)	(90)
Total expenditure		<u>(114,320)</u>	<u>-</u>	<u>(114,320)</u>	<u>(98,657)</u>
Net gains on investments		6,302	37,109	43,411	25,171
Net income/(expense)		<u>(43,453)</u>	<u>37,109</u>	<u>(6,344)</u>	<u>99,081</u>
Gross transfer between funds		(739)	739	-	-
Net movement in funds		<u>(44,192)</u>	<u>37,848</u>	<u>(6,344)</u>	<u>99,081</u>
Reconciliation of funds					
Total funds brought forward		159,967	452,581	612,548	513,467
Total funds carried forward		<u>115,776</u>	<u>490,428</u>	<u>606,204</u>	<u>612,548</u>

Statement of Financial Activities

for the year ended 30 June 2019

Scholarship fund

	<i>Notes</i>	<i>Unrestricted funds £</i>	<i>Endowment funds £</i>	<i>Total funds 2019 £</i>	<i>Total funds 2018 £</i>
Income					
Donations & gifts		38,010	-	38,010	152,921
Dividends		18,352	-	18,352	17,456
Bank interest receivable		153	-	153	190
Total income		56,515	-	56,515	170,567
Expenditure					
Direct charitable expenditure	2	(105,700)	-	(105,700)	(95,000)
Bank charges		(180)	-	(180)	(90)
Total expenditure		(105,880)	-	(105,880)	(95,090)
Net gains on investments		6,302	37,021	43,323	25,117
Net income		(43,063)	37,021	(6,042)	100,594
Gross transfer between funds		(739)	739	-	-
Net movement in funds		(43,802)	37,760	(6,042)	100,594
Reconciliation of funds					
Total funds brought forward		158,914	451,516	610,430	509,836
Total funds carried forward		115,112	489,276	604,388	610,430
Administration fund					
	<i>Notes</i>	<i>Unrestricted funds £</i>	<i>Endowment funds £</i>	<i>Total funds 2019 £</i>	<i>Total funds 2018 £</i>
Income					
Donations & gifts		8,050	-	8,050	2,000
Total income		8,050	-	8,050	2,000
Expenditure					
Direct charitable expenditure	2	(8,350)	-	(8,350)	(3,567)
Bank charges		(90)	-	(90)	-
Total expenditure		(8,440)	-	(8,440)	(3,567)
Net gains on investments		-	88	88	54
Net movement in funds		(390)	88	(302)	(1,513)
Reconciliation of funds					
Total funds brought forward		1,053	1,065	2,118	3,631
Total funds carried forward		663	1,153	1,816	2,118

Balance Sheet

at 30 June 2019

Consolidated funds

	<i>Notes</i>	<i>Unrestricted funds £</i>	<i>Endowment funds £</i>	<i>Total funds 2019 £</i>	<i>Total funds 2018 £</i>
Fixed assets					
Quoted investments	4	83,260	490,428	573,688	529,539
Current assets					
Cash at bank and deposits		32,516	-	32,516	83,009
Net assets		<u>115,776</u>	<u>490,428</u>	<u>606,204</u>	<u>612,548</u>
Funds					
Unrestricted funds	5	115,776	-	115,776	159,967
Endowment funds	5	-	490,428	490,428	452,581
Total funds		<u>115,776</u>	<u>490,428</u>	<u>606,204</u>	<u>612,548</u>

We approve these accounts and confirm that we have made available all relevant records and information for their preparation.

The accounts have been prepared in accordance with Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and follow best practice as laid down in the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with FRS 102.

The accounts were approved by the Trustees on 16 April 2020 and are signed on its behalf by:-

N D Brown

Chairperson of the Board of Trustees (Committee of Management)

K Lloyd

Trustee

Balance Sheet

at 30 June 2019

Scholarship fund

	Notes	Unrestricted funds £	Endowment funds £	Total funds 2019 £	Total funds 2018 £
Fixed assets					
Quoted investments	4	83,260	489,276	572,536	528,474
Current assets					
Cash at bank and deposits		32,393	-	32,393	82,996
Creditors: amounts falling due within one year					
Amount due to Administration fund		(540)	-	(540)	(1,040)
Net current assets		31,853	-	31,853	81,956
Net assets		115,113	489,276	604,389	610,430
Funds					
Unrestricted funds	5	115,113	-	115,113	158,914
Endowment funds	5	-	489,276	489,276	451,516
Total funds		115,113	489,276	604,389	610,430

Administration fund

	Notes	Unrestricted funds £	Endowment funds £	Total funds 2019 £	Total funds 2018 £
Fixed assets					
Quoted investments	4	-	1,153	1,153	1,065
Current assets					
Cash at bank and deposits		123	-	123	13
Amount due from Scholarship fund		540	-	540	1,040
Net assets		663	1,153	1,816	1,053
Funds					
Unrestricted funds	5	663	-	663	1,053
Endowment funds	5	-	1,153	1,153	1,065
Total funds		663	1,153	1,816	2,118

Notes to the financial statements

At 30 June 2019

1. Accounting policies

Statement of compliance

The accounts have been prepared in accordance with Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS 102). There were no material departures from that standard. In preparing the accounts, the charity follows best practice as laid down in the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with FRS 102 (SORP FRS 102) and complies with The Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

Basis of accounting

The principal accounting policies applied in the preparation of the unaudited accounts are set out below. These policies, unless otherwise stated, have been consistently applied to all periods presented.

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and on a going concern basis as the charity is in a position to meet its obligations as they fall due.

In the opinion of the Trustees, the accounts give a true and fair view of the state of the charity's affairs as at 30 June 2019 and of its result for the year then ended.

Income

All the charity's income is derived from its continuing operations. Donations & gifts and dividend income are credited on a receipts basis. Bank interest receivable is accounted for on an accruals basis. All income is attributable to unrestricted funds, as any income arising on the endowment fund can be used in accordance with the objectives of the charity (see note 5).

Expenditure

Direct charitable expenditure consists of institutional grants paid to local charitable trusts in developing countries. Grants are accounted for on an accruals basis and recognised when they have been approved by the Trustees. General expenses are not usually borne by the charity as all services are provided to it on a pro-bono basis. All expenses are attributable to unrestricted funds.

Investment gains and losses

Realised gains or losses on investments arise on the sale of investments during the year. Where there is a disposal of part of an investment holding, the gain or loss arising is calculated by reference to the average unit cost of the total holding.

Unrealised gains or losses arise on the revaluation of investments to their market value at the end of the year.

Quoted investments

Quoted investments are included in the balance sheet at fair value with net movements in fair value being reflected in the Statement of Financial Activities. Fair value is determined using market prices ruling at the balance sheet date.

Financial instruments

Basic financial instruments are initially recognised at transaction price and subsequently measured at the consideration expected to be paid or received, except for listed investments which are measured at fair value.

Debtors

Debtors are measured at the settlement amount due when they are expected to be settled within 12 months.

Notes to the financial statements

At 30 June 2019

1. Accounting policies (continued)

Creditors

Creditors are recognised where the charity has a present obligation as a result of a past event that will probably result in a transfer of funds to a third party and the amount of the settlement can be estimated reliably. Creditors are measured at their settlement amount when they are expected to be settled within 12 months.

Fund accounting

Details of the nature and purpose of each fund is set out in note 5.

Cash flow

The accounts do not include a cash flow statement because the charity is not a large charity and is therefore exempt from the requirement to prepare such a statement under SORP.

2. Direct charitable expenditure

Consists of institutional grants:

Consolidated funds:-

<i>Institution</i>	<i>Number of grants</i>	<i>2019 £</i>	<i>2018 £</i>
TEST for Ghana	2 (2018: 1)	45,000	45,000
TEST for Malawi	2	28,000	28,567
TEST for Uganda	1	27,550	25,000
TEST for Tanzania	2 (2018: nil)	13,500	-
		114,050	98,567
		114,050	98,567

Scholarship fund:-

<i>Institution</i>	<i>Number of grants</i>	<i>2019 £</i>	<i>2018 £</i>
TEST for Ghana	1	40,000	45,000
TEST for Malawi	1	25,000	25,000
TEST for Uganda	1	27,550	25,000
TEST for Tanzania	1 (2018: nil)	13,150	-
		105,700	95,000
		105,700	95,000

Administration fund:-

<i>Institution</i>	<i>Number of grants</i>	<i>2019 £</i>	<i>2018 £</i>
TEST for Ghana	1 (2018: nil)	5,000	-
TEST for Malawi	1	3,000	3,567
TEST for Tanzania	1 (2018: nil)	350	-
		8,350	3,567
		8,350	3,567

Further information on the grants awarded is given in the Report of the Trustees.

Notes to the financial statements

At 30 June 2019

3. Taxation

The Trust is exempt from UK taxation under Section 505 of the Income and Corporation Taxes Act 1988.

4. Quoted investments

Consolidated funds

	<i>Unrestricted funds</i>	<i>Endowment funds</i>	<i>Total funds 2019</i>	<i>Total funds 2018</i>
	£	£	£	£
Market value:				
At 1 July	76,958	452,581	529,539	499,515
Additions	-	739	739	328,735
Disposals	-	-	-	(323,882)
Net gain on revaluation	6,302	37,109	43,411	25,171
At 30 June	83,260	490,429	573,689	529,539

Scholarship fund

	<i>Unrestricted funds</i>	<i>Endowment funds</i>	<i>Total funds 2019</i>	<i>Total funds 2018</i>
	£	£	£	£
Market value:				
At 1 July	76,958	451,516	528,474	498,504
Additions	-	739	739	328,735
Disposals	-	-	-	(323,882)
Net gain on revaluation	6,302	37,021	43,323	25,117
At 30 June	83,260	489,276	572,536	528,474

Administration fund

	<i>Unrestricted funds</i>	<i>Endowment funds</i>	<i>Total funds 2019</i>	<i>Total funds 2018</i>
	£	£	£	£
Market value:				
At 1 July	-	1,065	1,065	1,011
Net gain on revaluation	-	88	88	54
At 30 June	-	1,153	1,153	1,065

Notes to the financial statements

At 30 June 2019

5. Funds

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objectives.

Endowment funds represent those assets which must be held permanently by the charity, principally investments. Income arising on endowment funds can be used in accordance with the objectives of the charity and is included as unrestricted income. Any gains or losses arising on the investments form part of the funds.

Gross transfers between funds reflects cash from unrestricted funds being invested in endowment funds.

Donations received by the charity are allocated to different accounts, depending on their purpose. Specific donations to support the administrative expenditure of the charitable trusts in Malawi and Ghana are associated to the administration fund. All other donations are ultimately to support scholarships in developing countries and are therefore allocated to the Scholarship fund.

6. Related party transactions

Included in donations & gifts into the scholarship fund is £20,000 (2018: nil) from Mr K Lloyd and £2,000 (2018: £2,000) from Dr N Brown, both of whom are Trustees of the charity. All other donations made along with any Gift Aid received thereon, has been invested in income bearing investments. The income generated from this investment is to be used for scholarships, but the Trustees may use the capital at their discretion to cover any shortfall in funding. There are no conditions attached to any donations made by Trustees during the year.

Included in donations and gifts into the administration fund is £8,050 (2018: £2,000) from Mr K Lloyd, who is a Trustee of the charity.