



**Educating young
Zambians for a
better future**

www.cecilysfund.org

Annual Report for the year ended 31 December 2019

Legal and administrative information (1)

Trustees: Stephanie Harland (Chair)
Philippa Tolmay (Secretary)
Andrew Tacon (Treasurer)
David Lines (resigned 15 November 2019)
Veronica Oakeshott
Tom Childs
Basil Eastwood CMG (appointed 14 December 2019)

Associates: Lady Moody-Stuart
Jessica Boyd
Corinna Witt
Sheila Phillips
Tanya Chikanza
Janet Machin

International

Advisory Panel: Basil Eastwood CMG (Chair)

Director: Cheryl Hooper

Legal and administrative information (2)

Registered office: 6 Church Green
Witney
Oxfordshire
OX28 4AW

Charity number: 1071660

Website: www.cecilysfund.org

Auditors: Wenn Townsend
30 St Giles
Oxford
OX1 3LE

Bankers: CAF Bank Ltd
Kings Hill
West Malling
Kent
ME19 4JQ

NatWest Bank
Central (F) Branch
43 Cornmarket Street
Oxford
OX1 3HA

Solicitors: Royds Withy King
North Bailey House
New Inn Hall Street
Oxford
OX1 2EA

Trustees' statutory report

The trustees present their report and the audited financial statements for Cecily's Fund (registered name The Cecily Eastwood Zambian AIDS Orphans Appeal) for the year ended 31 December 2019. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) published in October 2019. The charity is governed under a declaration of trust, dated 11 September 1998.

Trustees of the charity

The trustees who have served during the year and since the year end are listed in the legal and administrative information above.

Objectives and activities

The charity provides support to orphans and vulnerable children many of whom have been affected by HIV / AIDS in Zambia. This support reflects our belief that the power of education is a major contributor to improving children's livelihoods and self-reliance in order to give them a brighter future in adult life.

The various programmes which we undertake are designed:

- a) To enable the orphans and vulnerable children to go to school
- b) To support the children to succeed at school
- c) To prepare the children for life beyond school, and
- d) To strengthen community support for orphans' education

The various programmes are managed by the trustees and staff of the charity in conjunction with five Zambian partners with whom close working relationships have been established. The partners with whom the charity has worked during the year are Afya Mzuri (meaning Good Health), Bwafwano Integrated Services Organisation BISO (meaning Helping One Another), the Copperbelt Health Education Project CHEP, Junior Achievement Zambia JAZ and the Jennifer Memorial Special Community School JMSCS. The principal terms of reference of these partnerships are summarised in the section Structure, governance and management below.

Public Benefit Statement

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Fundraising

In order to ensure that fundraising conforms to recognised and ethical standards, membership to the Institute of Fundraising is renewed on an annual basis. We remain committed to ensuring that we carry out our fundraising in a clear, honest and open manner.

Fundraising activity, within the overall strategy of the charity, is kept under regular review by the board of trustees and a committee which comprises members of both the board of trustees and management which meet on a quarterly basis.

We monitor closely all comments across our fundraising activities and ensure that they are all appropriately addressed. We respect people's privacy and honour requests if they arise from existing donors that they no longer wish to receive communications from the charity. We did not receive any complaints about our fundraising activities in 2019. We are vigilant in not passing on supporters' data to third party organisations.

Strategic Report

The charity continues to make progress towards achieving its long term aims and the principal activities contributing to this during 2019 were:

Access to Education – continued support to children in Kitwe and Lusaka in 52 schools with payment of school fees for 902 pupils in secondary schools, contributions to the costs of books, uniforms and shoes and the provision of pastoral and psycho-social support to 628 orphans and vulnerable children at a community school in Lusaka directly funded by Cecily's Fund.

Peer Health Education – 32 older children were recruited and trained to be Peer Health Educators and community role models. The programme was delivered over a period of 6 months across 16 government schools in Kitwe to an average of over 3,000 children per month. Towards the end of 2019 the programme was further expanded into Lusaka.

Connecting Communities: Learning for Life – This 3.5 year programme, funded by Comic Relief, was successfully launched in September, 2015 across 8 wards in Kitwe in the Copperbelt region of Zambia and has introduced after-school Sunshine Clubs to provide structured educational, recreational, vocational and psycho-social support to both in-school and out-of-school children. Additionally, school fees were paid for 286 orphans and vulnerable children in 13 schools. The programme was completed on 31 March 2019. The charity continued to support the Sunshine Clubs throughout 2019.

DREAMS - Learning for Life: Reducing HIV and Increasing Life Chances for Girls by Keeping Girls in School – This 2.5 year programme was awarded in October 2016 by The U.S. President's Emergency Plan for AIDS Relief Programs (PEPFAR) and was designed to provide support to 900 orphans and vulnerable girls and 900 primary carers in Chingola in the Copperbelt region of Zambia. The programme was also completed on 31 March 2019. However, the charity has continued its work in Chingola throughout 2019 supporting the social businesses set up under the programme and the continuation of the GROW (Grassroots Owning your Own Wealth) savings groups.

RESPECT (Reach, Empower, Sustain, Prevent, Champion, Train) – The RESPECT programme is a 3 year intervention that provides essential training in numeracy and financial literacy to poorly educated mothers and female guardians of orphaned or vulnerable girls. The training enables them to become financially independent and better equipped to support their daughters into school through the setting up of social businesses that make and sell re-usable menstrual hygiene pads as a low-cost and affordable product for girls and women. Adopting a rights based approach, mothers are taught essential information about basic rights and sexual reproductive health, how to stay healthy and avoid HIV, and the importance of education which they explain at the point of sale using a peer to peer approach. This enables young girls in particular to obtain essential support and guidance on sexual reproductive health matters in a confidential, discreet environment that does not have the stigma and association of a clinic so that information is more accessible.

Financial review

Income and endowments are received from a variety of sources, namely:

	2019	2018
	£	£
Income and endowments from:		
Donations and legacies		
Gift aid and covenants	74,101	87,425
Tax reclaimable	12,603	15,176
Grants from trusts	124,860	150,374
Grants from statutory bodies	106,246	314,020
Other donations	71,777	52,640
Total donations and legacies	389,587	619,635
Other trading activities	11,465	9,376
Investment income	99	903
Total incoming resources	401,151	629,914

Since its foundation in 1998, Cecily's Fund has remitted £6.3 million to its partners in Zambia.

During 2019 Cecily's Fund received grants from Comic Relief amounting to £18,364 (2018 - £165,281) and from PEPFAR £87,882 (2018 - £148,739) in respect of specific programmes included above as grants from statutory bodies. The expenditure associated with these grants is shown in note 4.

Total expenditure in the year was £471,268 (2018 - £722,446) resulting in a deficit in the year of £70,117 (2018 – a deficit of £92,532).

Funds at 31 December 2019 totalled £107,557 (£66,121 restricted) compared to £177,674 (£40,475 restricted) at 31 December 2018.

Direct transfers (before the charity's costs) to the charity's partner organisations in Zambia totalled £266,827 during the year (2018 - £505,258) as follows:

Direct transfers	2019	2018
	£	£
Afya Mzuri primary and secondary education	42,072	81,070
BISO primary and secondary education	59,550	63,761
CHEP peer health education	32,000	31,192
Connecting Communities: Learning for Life	18,340	126,777
DREAMS	113,871	202,458
RESPECT	994	-
Total direct transfers	266,827	505,258

As partners receive their grants in pounds sterling or US dollars, they agree to take on a limited risk in foreign exchange rate fluctuation, under the Memoranda of Understanding (MoU). Any fluctuations greater than 10% may require our intervention; if the fluctuation results in an increase in the value of the Zambian Kwacha above 10%, the local partner must gain agreement from Cecily's Fund for the reallocation of these funds. Where the fluctuation adversely affects the local partner organisations, they may appeal for additional funding, but Cecily's Fund is under no obligation to grant this. The risk of significant adverse exchange rate variances arising is further mitigated through the use of forward contracts securing exchange rates at or above budgeted rates for up to 60% of planned programme spend. In light of this and the reserves accrued, the trustees have concluded that the charity has sufficient funding to cover any likely short-term variations in foreign exchange.

Expenditure on raising funds totalled £84,541 (2018 - £90,904). Expenditure on governance totalled £24,653 (2018 - £24,603) and is included within expenditure on charitable activities.

Investments and investment policy

Bank and cash balances at the end of the year totalled £87,157 (2018 - £167,145). Investment income from investments and bank accounts was £99 (2018 - £903).

The trustees' policy is to maintain up to 20% of surplus funds in professionally managed equity funds and at least 80% in professionally managed income funds and interest-bearing bank deposit accounts. At 31 December 2018 the charity held in a CAF one - year term deposit account with Scottish Widows £101,721. This deposit was withdrawn on 21 January 2019 with a maturity value of £101,746 which was transferred to the CAF current account.

The trustees do not currently consider it necessary to take into account social, environmental or ethical considerations supplementary to those applied by the funds in which the charity invests.

Taxation

The charity is entitled to those exemptions from UK taxation available in law to charities.

Reserves Policy

Much of the charity's annual income each year is derived from non-recurring sources and therefore has no fixed or predictable pattern with a consequent risk of funding deficits. This risk is managed and monitored by trustees who look to maintain reserves at a level equivalent to between 3 and 6 months' budgeted expenditure which the trustees consider sufficient to accommodate short-term fluctuations in the charity's income and costs without jeopardising agreed budgets for programme expenditure.

The trustees have committed to a 2020 budget based on a realistic forecast of income totalling £272,530 for the year and total agreed expenditure of £270,581. The budget has been prepared using an exchange rate of Zambian kwacha ZMW 18.5 = £1 for the partners' core activities by reference to the blended average rate of forward exchange contracts entered into. The charity has adopted a policy to

hedge forward a minimum level of 50% of funds required by the Zambian partners to undertake the programmes.

Structure, governance and management

At the end of the year the Board comprised 6 trustees. The only changes in the composition of the Board of Trustees during the year were the resignation of Mr. David Lines on 15 November 2019 and the appointment of Mr Basil Eastwood on 14 December 2019.

The charity's offices are based in Witney, near Oxford, in the UK. The trustees delegate day-to-day operations to the team based there which is headed by Ms Cheryl Hooper as Director. The staff team now comprises four part time staff members comprising the Director, Finance Manager, Senior Fundraiser and Supporter Relations Officer. At 31 December 2019 there were one full time and four part time staff members (2018 three full time and three part time staff members).

The trustees are responsible for recruiting and setting remuneration levels for senior members of staff. In determining levels of pay, the trustees reference pay data from charities of a comparable size and take into account the previous experience of each individual.

The trustees hold, at a minimum, quarterly meetings to consider all aspects of the charity's activities, and to monitor progress on the charity's strategic and operational plans. These plans help staff members and overseas partners to work towards a shared and sustainable vision for the future, agreeing priorities and identifying appropriate activities to achieve them.

Trustee performance and re-appointment is considered annually with new trustees inducted by Cecily's Fund staff and the Chair. New trustees are selected for their mix of skills and abilities with a view to ensuring that the governance of the charity is sound and meets its legal and moral obligations. All new trustees are provided with copies of the charity's governing document, the most recent Annual Accounts and Review and copies of the minutes of the trustees' meetings held in the previous twelve months. Further training is gained through peer support and national conferences and seminars. All trustees undertake at least one trip to Zambia to see at first hand the various activities within each of the programmes. Communications with supporters and other interested parties are conducted through bespoke mailing, email, periodic newsletters, the annual report, the charity's website, social networks and events. Feedback from supporters is solicited through surveys, social media, on the website and at events.

Governance, including programme management and risk monitoring

During 2019, 3 staff members from Cecily's Fund visited the Zambian partners principally to undertake programme management and financial monitoring. The main activities during these visits comprised:

- Monitoring and evaluation of all the programmes managed by Cecily's Fund in conjunction with the Zambian partners.
- The holding of a monitoring and evaluation workshop with the Zambian partners with a focus on the sustainability of all the programmes.
- Review of internal audit work performed across all four partners.
- Site visits to schools and families in the areas where the programmes are being undertaken, namely Lusaka, Kitwe and Chingola.
- Close out procedures pertaining to the Connecting Communities and DREAMS programmes.

The visits took place during the following months:

Date	Staff Members	Main Purpose of Visit
March and April 2019	Director and Programmes Manager	<ul style="list-style-type: none"> • Delivering a monitoring and evaluation workshop with partners • Further review and monitoring of all programmes • Ensuring that all close out procedures are performed in accordance with donors' requirements for the Connecting Communities and DREAMS programmes • Reviewing the end of programme evaluations for the Connecting Communities and DREAMS programmes
April and May 2019	Finance Manager	<ul style="list-style-type: none"> • Review of internal audit reports across four partners and planned implementation of procedural recommendations • Preparation and submission of final financial reports on the Connecting Communities and DREAMS programmes

		<ul style="list-style-type: none"> • Review of monthly reports submitted to Cecily's Fund and selected underlying documentation • Review of actual spend on programmes to date compared with budget spend
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Comprehensive reports were submitted to trustees shortly after each visit to enable them to assess the achievement of the terms of reference agreed for the visits, to facilitate the monitoring of Cecily's Fund's Strategic Plan, and to provide information for input into the charity's future operational and strategic plans.

As a condition for grant transfers, the charity requires annual audits of its Zambian partners' accounts for their Cecily's Fund programmes carried out by recognised professional firms of accountants as well as monthly financial reports and quarterly programme reports. Additionally, during 2019, the charity contracted the services of a recognised Zambian accounting firm to perform internal audit work across all the partners. The resulting Management Reports to improve financial systems and controls were discussed with all the partners' Senior Management teams together with the charity's Finance Manager.

The trustees remain committed to minimising administrative costs and to monitoring the performance of programmes supported against criteria agreed with the partner organisations concerned.

Wenn Townsend Chartered Accountants is the currently appointed auditor of the charity. The trustees' objective is to approve audited accounts within twelve weeks of each year end.

The charity continued to implement and to keep under review:

- Partner agreements: each partner signs an annual Memorandum of Understanding (MoU) stating the terms of the partnership
- Logical framework: each partner agrees to the targets for programmes' delivery and areas of data tracking
- Five - year strategic framework
- Ethical fundraising policy
- Child protection policy
- Risk register

The charity is a member of the Fundraising Standards Board and, as such, has committed to follow best practice standards and be subject to an independent complaints process to ensure public confidence in charitable giving. It is also a member of BOND, and ensures its programmes meet aid effectiveness criteria as set out by the organisation.

Principal risks and uncertainties

The charity's risk management policy identifies the principal risks in terms of both likelihood and gravity of effect on the charity's activities as:

- Loss of confidence in the organisation or accountability of one or more Zambian partners
- Viability of a Zambian partner which becomes overly dependent on Cecily's Fund
- Turnover in key staff
- Misusing or embezzlement of funds by an organisation or its staff members
- Reduction in income from donors due to a credit squeeze, financial uncertainty or the termination of specific programmes
- Exchange rate fluctuations undermining Cecily's Fund's budget

These risks and uncertainties are mitigated by a) forging close partnerships with our Zambian partners (including monitoring visits to Zambia) b) conducting annual appraisals of all staff in order to evaluate individual performance against pre-established objectives and to encourage retention and c) ensuring that all data, in particular the financial and donor data bases, are backed up off site on a daily basis.

Impact of the Covid-19 pandemic

Since the year end the Covid-19 pandemic has had a major impact on many aspects of business and personal life and along with many other charities, Cecily's Fund's activities have also been affected. The principal issues and our responses are summarised below.

UK operations

The UK office was temporarily closed following the introduction of the lockdown in the UK and all staff are currently working from home. This required some further small investment in technology in order to facilitate the change in working practice but with that investment there has only been limited adverse impact on normal day to day operations.

Zambian operations

In April 2020 the Zambian government announced the temporary closure of all schools and the implementation of general social distancing policies thereby curtailing a significant proportion of our normal activities.

Because of the high risk of spreading the virus within the communities where our projects take place, we decided, in consultation with our local partners, that all planned project activities would be temporarily stopped and reviewed, and delivery work would move to a Covid-footing. This included providing emergency food and health parcels for the poorest of the families of children we support in both Kitwe and Lusaka. This latter action was implemented in anticipation of a full lockdown in Zambia and has been funded by our extremely successful Covid-19 Emergency Appeal.

Since then programme activities in Zambia have been restricted to planning for a safe resumption of budgeted activities when circumstances allow and longer-term planning around new projects and initiatives.

Financial implications

At the start of the year the trustees agreed a balanced budget for 2020 based on reasonably cautious forecasts of likely income for the year. The budget has been reassessed in light of the Covid-19 pandemic to ascertain the potential impact on forecast income.

The result of this reassessment was to conclude that while there was some vulnerability in the forecast, any likely shortfall in income would be largely mirrored by expected savings in 2020 programme spend as a result of the current suspension of programme activities and likely delays in bringing programmes back to full operations when circumstances permit, as well as by some savings made to our UK costs.

Plans for future periods

The trustees aim to continue the core Access to Education and Peer Health Education programmes in Zambia whilst, at the same time, ensuring that the outcomes of the Connecting Communities: Learning for Life programme and the DREAMS Learning for Life: Reducing HIV and Increasing Life Chances for Girls by Keeping Girls in School programme, both successfully closed out in March 2019, remain supported to the extent that funding permits. The RESPECT, PHE Lusaka and GROW groups Chingola programmes introduced in 2019 will remain integrated into the charity's core activities in 2020.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and the Financial Reporting Standard in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity 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 Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable 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 charity 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 charity and enable them to ensure that the financial statements comply with the Financial Reporting Standard in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to the auditors

We, the trustees of the charity who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charity's auditors are unaware; and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as the charity's trustees.

On behalf of the board,

A handwritten signature in black ink, appearing to read 'Andrew Tacon', written over a large, loopy oval shape.

Andrew Tacon FCA, Trustee and Treasurer

19 August 2020

Independent Auditor's Report to the Trustees of The Cecily Eastwood Zambian AIDS Orphans Appeal (Cecily's Fund)

Opinion

We have audited the financial statements of The Cecily Eastwood Zambian AIDS Orphans Appeal (Cecily's Fund) (the 'charity') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019, and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' statutory report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 11 and 12, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

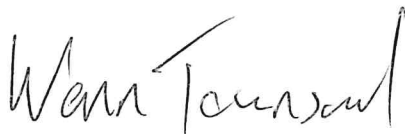
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads 'Wenn Townsend'. The signature is written in a cursive, flowing style.

Wenn Townsend, Statutory Auditor, Oxford

Date: 19 August 2020

Wenn Townsend is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2019

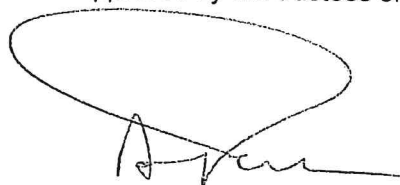
		Unrestricted income funds	Restricted income funds	Total funds	Unrestricted income funds	Restricted income funds	Total funds
		2019	2019	2019	2018	2018	2018
	Notes	£	£	£	£	£	£
Income and endowments from:							
<i>Donations and legacies</i>							
Gift aid and covenants		74,101	-	74,101	68,721	18,704	87,425
Tax reclaimable		12,603	-	12,603	15,176	-	15,176
Grants from trusts		47,071	77,789	124,860	140,374	10,000	150,374
Grants from statutory bodies		-	106,246	106,246	-	314,020	314,020
Other donations		71,777	-	71,777	52,640	-	52,640
Total donations and legacies		205,552	184,035	389,587	276,911	342,724	619,635
Other trading activities	2	11,465	-	11,465	9,376	-	9,376
Investment income	3	99	-	99	903	-	903
Total income and endowments		217,116	184,035	401,151	287,190	342,724	629,914
Expenditure on:							
Raising funds	5	84,541	-	84,541	90,904	-	90,904
Charitable activities	4	228,338	158,389	386,727	242,793	388,749	631,542
Total expenditure		312,879	158,389	471,268	333,697	388,749	722,446
Net income / (expenditure)		(95,763)	25,646	(70,117)	(46,507)	(46,025)	(92,532)
Reconciliation of funds:							
Total funds brought forward	11	137,199	40,475	177,674	183,706	86,500	270,206
Total fund carried Forward	11	41,436	66,121	107,557	137,199	40,475	117,674

Balance sheet

At 31 December 2019

		Unrestricted income funds	Restricted income funds	Total funds	Total Funds
	Notes	2019 £	2019 £	2019 £	2018 £
Current assets					
Debtors and prepayments	7	30,222	-	30,222	24,941
Cash at bank and in hand	8	21,036	66,121	87,157	167,145
		51,258	66,121	117,379	192,086
Current liabilities					
Creditors: amounts falling due within one year	9	9,822	-	9,822	14,412
Net current assets		41,436	66,121	107,557	177,674
Total assets less current liabilities		41,436	66,121	107,557	177,674
Total funds carried forward	11	41,436	66,121	107,557	177,674

Approved by the trustees on 19 August 2020 and signed on their behalf by:



Andrew Tacon FCA,
Trustee and Treasurer

Statement of cash flows

For the year ended 31 December 2019

		2019	2018
	Notes	£	£
Cash flow from operating activities			
Net income / (expenditure) for year		(70,117)	(92,532)
Interest receivable		(99)	(903)
(Increase) / decrease in debtors	7	(5,281)	15,536
Increase / (decrease) in creditors	9	(4,590)	(37,808)
Cash flow from operating activities		(80,087)	(115,707)
Interest received		99	903
Net increase / (decrease) in cash and cash equivalents		(79,988)	(114,804)
Cash and cash equivalents at 1 January		167,145	281,949
Cash and cash equivalents at 31 December	8	87,157	167,145

Notes to the financial statements

For the year ended 31 December 2019

Note 1: Accounting policies

General information and basis of preparation

The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to enable orphans and vulnerable children to go to and to succeed at school and to prepare them for life beyond school in their respective supportive communities.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 109), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

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

Income recognition

Donations are generally recognised on receipt of cash and allocated to restricted income if the donor has specified the purpose to which the donated funds are to be applied or if the charity has made a proposal to the donor based on a particular programme, activity or category of expenditure. Income is deferred to the extent that it relates to future accounting periods, or if it is subject to any unmet condition. For legacies, entitlement is the earlier of the charity being

notified of an impending distribution or the legacy being received. Tax claimable on donations made under gift aid or covenants is recognised in the same period as the related donation. Investment income is recognised in the period in which it accrues. Donated services are valued and brought in as income and the appropriate expenditure at the price that Cecily's Fund estimates it would pay in the open market for an equivalent service.

Expenditure recognition

All expenditure is recognised on the accruals basis in the period in which the charity incurs an obligation, and categorised between restricted and unrestricted funds as appropriate. Grant funding obligations for student fees and materials under a budget agreed between the charity and a partner for an academic - generally the calendar - year are recognised in full in the accounting period ending in that academic year.

Basis of allocation of costs of expenditure

Direct costs are allocated to the applicable programme or activity. Other material costs are allocated to programmes or activities on the basis of estimated staff time. The proportions of these costs allocated to the relevant programme or activity are as follows:

Location	Programme or activity	Director	Personnel costs (note 6)	Support costs (note 5)
			Other staff	
Afya Mzuri	Primary & secondary education	15%	8%	15%
Afya Mzuri, CHEP and UK	Connecting Communities (Comic Relief)	18%	9%	10%
BISO	Primary & secondary education	5%	4%	15%
CHEP	Peer health education	5%	4%	15%
Afya Mzuri, JAZ and UK	DREAMS (PEPFAR)	18%	10%	15%
CHEP, JMCS and UK	RESPECT	2%	2%	-
UK	Costs of generating voluntary income	27%	56%	20%
UK	Governance	10%	7%	10%

Fund accounting

Funds held by the charity are detailed in note 11 and comprise:

- Unrestricted funds, which may be used in accordance with the charitable objects at the discretion of the trustees, and
- Restricted funds which 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.

Tangible fixed assets and depreciation

Tangible fixed assets are capitalised if the acquisition cost exceeds £1,000 in which case they are included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight - line basis over their expected useful economic lives as follows:

Project and office equipment – over 5 years

Computer equipment – over 3 years

Debtors

Debtors are recognised at the settlement amount after any discounts offered.

Creditors

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Foreign currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

Investments

Investments are included at fair value at each period end, gains and losses on revaluations and disposals of investment assets being recognised in the Statement of Financial Activities for the appropriate period.

Note 2: Other trading activities

	Unrestricted	Restricted	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Sale of books, cards, other products	1,871	-	1,871	788
Fundraising events	9,594	-	9,594	8,588
Total	11,465	-	11,465	9,376

Note 3: Investment income

Investment income comprises:

	Unrestricted	Restricted	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Bank and other interest	99	-	99	903

Note 4: Charitable activities

The allocation of costs of charitable activities during the year to the charity's programmes was as follows:

		Grant funding 2019 £	Support costs 2019 £	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £	Total 2018 £
Afya Mzuri	Primary and secondary education	42,072	28,828	70,900	-	70,900	97,447
BISO	Primary and secondary education	59,550	22,296	81,846	-	81,846	77,941
CHEP	Health Education	32,000	18,939	50,939	-	50,939	42,802
Comic Relief	Connecting Communities	18,340	15,410	-	33,750	33,750	158,591
DREAMS	Learning for Life	113,871	7,054	-	120,925	120,925	230,158
CHEP and JMSCS	RESPECT programme	994	2,720		3,714	3,714	-
Governance Costs		-	24,653	24,653	-	24,653	24,603
Total		266,827	119,900	228,338	158,389	386,727	631,542

Note 5: Expenditure

a) Support costs comprise:

	2019		2018	
	£	£	£	£
Personnel costs		153,213		162,264
Less allocated to: Charitable activities	(65,797)		(80,027)	
Governance	(13,811)		(13,073)	
Costs of generating voluntary income	(72,556)		(66,884)	
		(152,164)		(159,984)
		1,049		2,280
Office rental and service charges		10,833		6,167
Office materials and equipment		9,035		11,319
Bank charges: account administration		1,595		2,391
Exchange rate losses		512		626
Telephone and Internet		2,794		1,999
Travel costs not allocated to specific activities		1,049		600
Other office costs		6,128		5,673
Total		32,995		31,055

b) Governance costs, which are included in expenditure on charitable activities and are costs directly involved with constitutional issues and strategic management, plus allocated support costs, comprise:

	Unrestricted	Restricted	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Personnel costs	13,811	-	13,811	13,073
Audit fees	4,504	-	4,504	4,000
Internal audit costs	2,176	-	2,176	2,527
Allocated support costs	4,162	-	4,162	5,003
Total	24,653	-	24,653	24,603

c) Raising funds:

	Unrestricted	Restricted	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Personnel costs	72,556	-	72,556	66,884
Printing, postage, & publicity material	6,527	-	6,527	14,821
Allocated support costs	4,198	-	4,198	8,338
T shirts and other costs	1,260	-	1,260	861
Total	84,541	-	84,541	90,904

Note 6: Personnel costs

Personnel costs comprise:

	2019	2018
	£	£
Salaries	133,547	143,549
National Insurance	12,074	9,702
Pension costs	2,984	3,605
Total payroll costs	148,605	156,856
Recruitment costs	-	785
Consultancy costs	3,559	3,148
Training and travel expenses not allocated to programmes and specific activities	1,049	1,475
Total	153,213	162,264

At the year end the charity employed one (2018 – three) full-time and four (2018 – three) part-time employees. The average number of full-time equivalent employees during the period was 4.27 (2018 – 4.58). No employee earned in excess of £60,000 during the year.

Remuneration paid to key management personnel during the year totalled £119,261 (2018 - £117,688).

Note 7: Debtors and prepayments

Debtors and prepayments comprise:

	Unrestricted	Restricted	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Prepayments	-	-	-	2,649
Donations receivable	25,344	-	25,344	19,053
Other debtors	4,878	-	4,878	3,239
Total	30,222	-	30,222	24,941

Donations receivable comprise income receivable at the year - end in respect of activities performed during the year.

Note 8: Cash at bank and in hand

Cash at bank and in hand comprises:

	Unrestricted	Restricted	Total	Total
As at 31 December	2019	2019	2019	2018
	£	£	£	£
Current account	12,840	43,393	56,233	57,676
PayPal and credit card	753	-	753	-317
CAF Gold deposit account	6,724	22,728	29,452	6,016
Special interest - bearing account	-	-	-	561
US\$ account (for DREAMS)	-	-	-	708
Petty cash	719	-	719	780
Fixed term deposit	-	-	-	101,721
Total	21,036	66,121	87,157	167,145

Note 9: Creditors

Creditors comprise:

	Unrestricted	Restricted	Total	Total
As at 31 December	2019	2019	2019	2018
	£	£	£	£
Professional fees	4,350	-	4,350	4,290
PAYE and NI payable	2,596	-	2,596	412
Deferred income	-	-	-	6,341
Other creditors and accruals	2,876	-	2,876	3,369
Total	9,822	-	9,822	14,412

Note 10: Lease liabilities

The charity's total lease commitments relate to its office premises and are as follows:

	Land and Buildings	
	2019	2018
Less than 1 year	8,667	8,667
2 – 5 years	5,056	13,723
Total	13,723	22,390

Note 11: Balance of funds

The balance of funds at the year - end arises as follows:

	Unrestricted	Restricted	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Balance brought forward	137,199	40,475	177,674	270,206
Net movement in funds for the period	(95,763)	25,646	(70,117)	(92,532)
Balance carried forward	41,436	66,121	107,557	177,674
Restricted funds comprise:				
As at 31 December		2019		2018
		£		£
Connecting Communities: Learning for Life (Comic Relief)		-		19,767
DREAMS (PEPFAR)		-		20,708
RESPECT		31,656		-
PHE Lusaka		26,775		-
GROW savings groups Chingola		7,690		-
Total		66,121		40,475

None of the unrestricted funds were designated for specific purposes at 31 December 2019 (2018 - £nil). The restricted funds will be spent on programmes which are incorporated into the charity's core activities in 2020.

Note 12: Funds reconciliation

The movements on funds during the years are as follows:

	Opening balance 2019	Income	(Expenditure)	Closing balance 2019
Unrestricted 2019	£	£	£	£
Total unrestricted funds	137,199	217,116	(312,879)	41,436
Restricted 2019				
DREAMS (PEPFAR)	20,708	87,882	(108,590)	0
Connecting Communities: Learning for Life (Comic Relief)	19,767	18,364	(38,131)	0
RESPECT		37,242	(5,586)	31,656
PHE Lusaka		31,500	(4,725)	26,775
GROW savings groups Chingola		9,047	(1,357)	7,690
Total restricted funds	40,475	184,035	(158,389)	66,121

	Opening balance 2018	Income	(Expenditure)	Closing balance 2018
Unrestricted 2018	£	£	£	£
Total unrestricted funds	183,706	315,894	(362,401)	137,199
Restricted 2018				
DREAMS (PEPFAR)	86,500	148,739	(214,531)	20,708
Connecting Communities: Learning for Life (Comic Relief)	-	165,281	(145,514)	19,767
	-	-		
Total restricted funds	86,500	314,020	(360,045)	40,475

Note 13: Analysis of net assets between funds

Current assets	Unrestricted funds 2019	Restricted funds 2019	Total 2019
Debtors and prepayments	30,222	-	30,222
Cash at bank and in hand	21,036	66,121	87,157
	51,258	66,121	117,379
Current liabilities			
Creditors: amounts falling due within one year	9,822	-	9,822
Net current assets	41,436	66,121	107,557
Total net assets	41,436	66,121	107,557
Current assets	Unrestricted funds 2018	Restricted funds 2018	Total 2018
Debtors and prepayments	24,941	-	24,941
Cash at bank and in hand	126,670	40,475	167,145
	151,611	40,475	192,086
Current liabilities			
Creditors: amounts falling due within one year	14,412	-	14,412
Net current assets	137,199	40,475	177,674
Total net assets	137,199	40,475	177,674

Note 14: Trustees' remuneration

Trustees are not remunerated. There were no reimbursements to trustees for expenditure incurred during 2019 (2018 nil).

Note 15: Related party transactions

The charity considers trustees and staff detailed on page 1 to be related parties. No reportable related party transactions have been identified during the period and all of these parties have separately confirmed that they are not aware of any such reportable transactions.

The American Friends of Cecily's Fund, a Delaware incorporated entity was constituted during the year ended 30 June 2006 under section 501(c)(3) of the US Internal Revenue Code to develop fundraising opportunities in the US in furtherance of the objectives it shares with Cecily's Fund.

The Swiss Friends of Cecily's Fund, a non-profit making association constituted under Articles 60 – 79 of the Swiss Civil Code was set up during the year ended 30 June 2006 to enable Swiss citizens to make tax-effective gifts to help Cecily's Fund meet its objectives.

Both organisations have boards of governance independent from Cecily's Fund but both work closely with the trustees of Cecily's Fund in the promotion of the charity.

For the year to 31 December 2019, American Friends of Cecily's Fund remitted to the charity a total of £13,468 (2018 - £19,053) and Swiss Friends of Cecily's Fund £24,289 (2018 - £23,626).

Note 16: Post Balance Sheet Events

Since the year end the Covid-19 pandemic has had impacts on many aspects of business and personal life and, along with many other charities, Cecily's Fund's activities have also been affected.

The UK office has been temporarily closed following the introduction of the lockdown in the UK towards the end of March 2020. with all staff are currently working from home. This has had no material impact on normal day to day operations.

In Zambia the government announced in April 2020 the temporary closure of all schools and the implementation of general social distancing policies thereby curtailing a significant proportion of our normal activities.

Because of the high risk of spreading the virus within the communities where our projects take place, we decided, in consultation with our local partners, that all planned project activities would be temporarily stopped and reviewed, and delivery work would move to a Covid-footing. This included providing emergency food and health parcels for the poorest of the families of children we support in both Kitwe and Lusaka. This latter action was implemented in anticipation of a full lockdown in Zambia and has been funded by our extremely successful Covid-19 Emergency Appeal.

Since then programme activities in Zambia have been restricted to planning for a safe resumption of budgeted activities when circumstances allow and longer-term planning around new projects and initiatives.

Overall, the impact on the charity's financial situation of the Covid-19 pandemic is not expected to be material. Although there may be some vulnerability in achieving forecast income in 2020, any shortfall is likely to be offset by reductions in expenditures on programme activities in Zambia which are currently suspended.