



## **Annual Financial Statements**

31 March 2009

Company Limited by Guarantee  
Registration Number  
2447107 (England and Wales)

Charity Registration Number  
802576

## Contents

<b>Trustees' report</b>	
Who we are and what we do	1
Our key achievements	3
Governance, structure and management	7
Financial review	13
<b>Independent auditors' report</b>	15
<b>Financial statements</b>	
Consolidated statement of financial activities	17
Consolidated and charity balance sheets	18
Principal accounting policies	19
Notes to the consolidated financial statements	22

## Trustees' report

### Chair's introduction

Skillshare International is an international volunteering and development organisation working to reduce poverty, injustice and inequality. Our vision is of a world where people, regardless of cultural, social and political divides, come together for mutual benefit, living in peaceful co-existence.

In 2008-9 we worked in partnership with organisations in both the social economy and public sectors in Africa and Asia to build their capacity. We did this by sharing and developing skills and ideas, and by facilitating organisational and social change. We offer our partners a range of different interventions, including development worker placements, participation in our leadership development programmes, financial resourcing, policy and advocacy support, and opportunities to network and share learning. Our partners in Southern Africa, East Africa and Asia work directly with communities to reduce poverty, injustice and inequality, and to build awareness of international development issues. We also work with partners in the UK and Ireland to build awareness of and support for development issues.

Our international volunteers have supported our partners through long-term placements, short-term secondments and online placements. In 2008-9 we placed the first development workers through our new funding agreement with DFID in India to support our partners to work with vulnerable tribal and forest-dwelling communities.

Through our Coaching for Hope programme, which uses the universal passion for football to raise awareness of issues such as HIV and substance misuse among young people and to help them develop valuable life skills, we worked with 35 civil society organisations in West and Southern Africa and with seven football clubs in the UK. As the 2010 World Cup approaches, we have continued to develop our programme in Southern Africa to ensure a positive and lasting legacy after the event.

March 2009 saw the conclusion of the Integrating Development and Conflict Transformation programme, which had been funded by £1.5 million over three years from DFID CHASE. We held a series of learning workshops with Responding to Conflict, who co-led the work, to identify and understand the lessons from this innovative project, and conducted a full evaluation which will be published in 2009-10.

In February 2009, the Big Lottery Fund confirmed that our application for a strategic grant had been successful. The award of £3.68 million over five years will fund a portfolio of six projects to support networks of people living with HIV and AIDS in Southern Africa. In an increasingly challenging economic climate, we have continued to support our partners by accessing project funding from a range of donors including the EU, Irish Aid, Big Lottery, Comic Relief and charitable trusts and foundations.

## Trustees' report

### Chair's introduction (continued)

Throughout the year we strengthened our own capacity and that of our partners in Africa and Asia to engage in policy debates and influence policy makers. I would particularly like to highlight our achievements in driving forward the mainstreaming of our thematic areas into our programmes. During the year, we prioritised gender and peace building, developed policies and implementation strategies for these two thematic areas and started to train our staff on gender mainstreaming. I would also like to highlight the work that we have been doing on civic education in Swaziland to raise awareness of women's social and economic rights as well as their human rights. This has led us to engage with women policy makers to develop their leadership capacity. Another highlight has been our work in India with Tribal communities to capture their perspectives on the policy issues that affect them and their livelihoods. In the UK we have continued to work with networks, other development organisations, campaigning alliances and educational bodies involved in development awareness.

In 2008-9, we further developed our corporate partnerships. The Tribal Group Foundation continued to support our work in Southern and East Africa through staff secondments and fundraising initiatives. Staff at adidas also held events and participated in a range of activities to raise money for our Coaching for Hope programme. In Southern Africa, we continued to manage Australian Volunteers International's international volunteering programme.

In order to demonstrate the benefit of our work, this trustees' report outlines our key achievements against what we said we would do in last year's report and states our priorities for 2009-10. In producing this report, Skillshare International's Board of Trustees can confirm that they have paid regard to Charity Commission guidance on public benefit. On behalf of the Skillshare International Board of Trustees, I would like to acknowledge and celebrate the contributions and efforts of everyone connected to Skillshare International in 2008-9 including our staff, international volunteers, partner organisations, donors, trustees, programme advisory committees in Southern Africa and the many individuals who have supported us both financially and by sharing their time and skills.

Wendy Tabuteau

Chair of the Board of Trustees

## Trustees' report

### **Organisational change and development**

*We said we would increase our development worker programme by 15% on 2007-8 to 76.*

This year we have continued to respond to the needs of our partner organisations by offering different models of international volunteering, including short-term secondments (5%) and online placements (5%). Our programme in 2008-9 provided our partners with a total of 850 months of development worker input, which is an increase of 13% on the previous year.

At the end of the financial year, 76 Skillshare International development workers were on placements in East Africa, Southern Africa and Asia. 52% of the development worker months were funded by unrestricted core funds, and the remaining 48% were funded by restricted project funding.

Through our Coaching for Hope programme, which uses football to develop valuable life skills and raise awareness of HIV, eight football coaches from the UK completed short-term placements and shared their skills with 130 local coaches and hundreds of young people in Burkina Faso, Mali and South Africa.

*We said we would run open leadership development programmes in East Africa and Asia and run a bespoke organisation-focused leadership development workshop in Southern Africa.*

117 leaders from organisations in Africa and Asia participated in our workshops in 2008-9. In Asia and East Africa, 36 leaders from our partner organisations participated in our condensed leadership development programme. In Mozambique, we held four leadership development workshops for 25 members of the Ministry of Fisheries' Strategic Leadership Team and 26 middle-managers as part of the project to build the capacity of the Ministry to support and advise small-scale fishing communities. In Swaziland we held a leadership development workshop for 30 female parliamentarians as part of an initiative with the Network for African Women Ministers and Parliamentarians.

We also ran community level leadership development programmes for partners supporting disabled people in Lesotho, and one for disability service providers. Skillshare International staff and development workers in Botswana and Lesotho also delivered leadership development workshops for community members. More than 150 people participated in these community workshops.

*We said we would expand our Coaching for Hope programme in Southern Africa.*

In 2008-9 we successfully expanded our Coaching for Hope activities in Southern Africa by developing partnerships and coaching materials, and by holding events in South Africa and Botswana.

In partnership with Amandla Ku Lutsha and with sponsorship from adidas, we launched a new football league in Cape Town, focusing on young people in care. We also developed a new curriculum on substance misuse and ran two courses using these materials in Cape Town. In December 2008, we ran a youth leadership workshop in Cape Town and in August 2008 we held a course in Botswana in partnership with the South East District Youth Empowerment League (SEDYEL).

## Trustees' report

### **Organisational change and development** (continued)

*We said we would expand our Coaching for Hope programme in Southern Africa* (continued)

Beyond Southern Africa, we ran a pilot course using our new disability curriculum in Mali and ran courses in every province of Burkina Faso with funding from FIFA.

### **Supporting social change**

*We said we would maintain our development awareness and public engagement programmes.*

Through our development awareness programme, we are continuing to successfully contribute to global awareness and learning about development in the health and education sectors. In February 2009, we held our first module on global health and development for medical students outside the UK. In a new collaboration with Trinity College Dublin, our staff and development workers delivered workshops, lectures and activities for 132 third year students in a one-week intensive course. We also continued to run this programme in partnership with the medical schools in Leicester and Nottingham in 2008-9.

In and around Hull, we delivered development awareness activities through our Coaching for Hope programme and its partnerships with Playing for Success and Hull City Football Club.

We continued to host and support the East Midlands Network for Global Perspectives in Schools at our office in Leicester.

*We said we would increase direct financial resources to partners by 17% on 2007-8.*

We provided a total of £1.7m in direct financial resources to our partners in 2008-9, which is an increase of 5% on the previous year. The increase was lower than anticipated partly due to the delayed start in implementing a funding agreement with DFID India. This programme, which focuses on the social exclusion of tribal communities in India, provides support for 13 partners with a total budget of £800,000 over five years.

*We said we would pilot policy engagement workshops with partners.*

This has been deferred to 2009-10, with activities focusing on climate change and the rights of indigenous people being held in London in May 2009 to coincide with a visit to the UK by partners from India.

*We said we would implement new monitoring and feedback systems for partner organisations and development workers.*

In 2008-9 we developed a new system for monitoring and reviewing development worker placements. This will be implemented from April 2009, followed by the new partner monitoring system which will be developed in 2009-10.

## Trustees' report

### **Organisational change and development** (continued)

*We said we would implement policies and develop mainstreaming strategies for all themes (HIV and AIDS, gender, human rights, peace building).*

In 2008-9 we published policy statements on peace building and gender, and made good progress towards developing our policy on human rights. Programme staff participated in activities and training events to raise awareness of gender issues. We will publish our policies on human rights and on HIV and AIDS in 2009-10.

*We said we would develop policy statements on our sectors (health, education, environment, economic empowerment).*

This has been deferred until 2009-10.

*We said we would develop our approach to marketing Skillshare International.*

In 2008-9 we conducted a preliminary assessment of the needs for a new approach to marketing Skillshare International. This work continues in to 2009-10.

### **Improving our effectiveness**

*We said we would expand our Board of Trustees and hold a regional governance conference in Southern Africa.*

In November 2008, representatives of staff, trustees, development workers and members of our programme advisory committees gathered in South Africa to explore the function and responsibilities of governance. The conference identified candidates from Southern Africa to join the Skillshare International Board. Two members of our programme advisory committees, Motsomi Marobela (Botswana) and Maria Eulalia Vales (Mozambique) were nominated by the meeting to be co-opted to Skillshare International's Board of Trustees. Earlier in the year Joan McGarry from Skillshare International Ireland and Chandni Joshi, from the Skillshare International India Trust had also been co-opted to the Board, thus ensuring a better reflection of our programmes and countries of operation at the highest governance level.

*We said we would develop and implement performance management systems for teams and individuals.*

In 2008-9, we introduced a regular performance review mechanism for all staff across the organisation, to support the annual appraisal introduced in the previous year. We also piloted a team-based review model with three teams.

*We said we would achieve unrestricted income of £3.07 million and restricted income of £2.36 million.*

In 2008-9 we generated a total income of £5.57 million, of which £3.04 million was unrestricted and £2.53 million was restricted to funding specific projects.

## Trustees' report

### Looking forward

The current economic situation will undoubtedly have a significant impact on our programme in 2009-10. The impact of the general budget cuts in Irish Aid has unfortunately meant a reduction of nine development workers, but we intend to find new and innovative ways of providing the required support to our partners in Africa and Asia.

Our objectives for 2009-10 are to:

- ◆ have 69 development workers in placements by March 2010 and we will increase our programme through other models of international volunteering, including online placements, secondments and football coaching.
- ◆ run condensed leadership development programmes in East Africa and Asia, and a diagnostic and three-day course in Southern Africa.
- ◆ pilot open leadership development programmes on a fee-paying basis.
- ◆ maintain the level of financial resources through project funding to our partners in Southern Africa, and increase this support in Tanzania and Asia.
- ◆ document and share knowledge and learning from our programmes.
- ◆ expand our Coaching for Hope programme by 20%. By March 2010, we will have a Coaching for Hope programme in three countries in Southern Africa and we will have prepared for a fourth.
- ◆ produce programme-based policy briefs on gender and peace building.
- ◆ engage with key policy decision-making processes at national, regional and international level, informed by our programme priorities.
- ◆ sustain our Special Studies Module programme and establish the Skillshare International Alumni.
- ◆ achieve unrestricted income of £3 million and restricted income of £3 million.



## Trustees' report

Governance, structure and management

Reference and administrative information

**Patrons** Richard E Grant  
Sir Trevor McDonald OBE

**Vice Presidents** Richard Caborn MP

**Trustees** Roger Blake  
John Hoffman  
Kumba Jallow  
Chandni Joshi (from 21 October 2008)  
Fred Mear  
Motsomi Marobela (from 6 February 2009)  
Joan McGarry (from 23 May 2008)  
Sarah Nancollas  
Nita Odedra (to 18 September 2008)  
Wendy Tabuteau  
Gill Taylor  
Maria Vales (from 6 February 2009)  
Andrew Wynne

**Chief Executive Officer and  
company secretary** Cliff Allum

**Registered office** 126 New Walk  
Leicester  
LE1 7JA

**Website** [www.skillshare.org](http://www.skillshare.org)  
[www.coachingforhope.org](http://www.coachingforhope.org)

## Trustees' report

Governance, structure and management (continued)

Reference and administrative information (continued)

Company registration number 2447107

Charity registration number 802576

**Auditors** Buzzacott LLP  
12 New Fetter Lane  
London  
EC4A 1AG

**Bankers** Lloyds TSB  
7 High Street  
Leicester  
LE1 9FS

**Financial advisers** Lloyds TSB Private Banking Limited  
Butt Dyke House  
33 Park Row  
Nottingham  
NG1 6GY

**Solicitors** Harvey Ingram Owston  
20 New Walk  
Leicester  
LE1 6TX

**Governance, structure and management** (continued)

Skillshare International is a company limited by guarantee, incorporated under the Companies Act 1985. It is also a registered charity. It is incorporated under the terms of a Memorandum and Articles of Association.

The business of the charity is managed by a board of trustees who are the directors of the company. The charity does not have share capital and is limited by guarantee. Each trustee is a member of the charity and in the event of the charity being wound up, is liable to contribute a maximum of £1.

The Memorandum of Association states that the charity is established to relieve poverty, distress and sickness and to advance education in all parts of the world (and particularly in Southern Africa).

The principal activity of Skillshare International is to reduce poverty, injustice and inequality and to further economic and social development in partnership with people and communities throughout the world. Skillshare International does this by sharing and developing skills and ideas, facilitating organisational and social change and building awareness of development issues.

Skillshare International has three subsidiary companies:

- ◆ Skillshare South Africa, registered in South Africa as a Section 21 Company, number 2000/005113/08. The principal activity of this company is to carry out the activities of Skillshare International within South Africa.
- ◆ Skillshare International (Ireland) registered in Ireland as a company limited by guarantee, number 366991. The principal activity of this company is to relieve poverty, distress and sickness and to advance education in all parts of the world through international development.
- ◆ Action Health, registered in Great Britain as a company limited by guarantee, number 3444392. Action Health was dormant during the year.

Skillshare International has registered a trust in Kenya, the Skillshare International Trust. The principal objects of this trust are to work for sustainable development with the people and communities of East Africa.

Skillshare International (Ireland) and Skillshare International (India) Trust are each signatories to a trade mark licence, which specifies the conditions under which they may use the name and logo of Skillshare International.

Skillshare International has an association with the Skillshare International (India) Trust, the principal objects of which are to fight against social inequality, relieve poverty distress and sickness and fight against disease.

The South Africa and Ireland operations are constituted as subsidiary companies limited by guarantee; the other offices are branches of the main charity.

**Governance, structure and management** (continued)

The Board of Trustees is responsible for the governance of the charity. Four members of the Board are elected by the members of the charity. The board is empowered to co-opt up to ten other trustees. Trustees may be removed by ordinary resolution of the charity. In addition, the board is empowered to remove a co-opted trustee at any time.

The Board has sought nominations for cooption from governance structures associated to Skillshare International. Other vacancies on the Board are advertised externally. Applicants undergo a selection process to evaluate the contribution they could make against the needs of the board at the time. New trustees participate in an induction programme covering their responsibilities as trustees and an introduction to the organisation and activities of Skillshare International. There is also a programme of familiarisation, which enables one or two trustees each year to view programmes in countries in which the charity operates. Constant regard is had to the skills mix of the trustees to develop training initiatives to ensure that the board of trustees has all the necessary skills required to contribute fully to the charity's development.

The following trustees served during the year.

Trustee	Appointed / Resigned	
Roger Blake		
John Hoffman		H
Kumba Jallow		F
Chandni Joshi (Nepal)	Appointed 21 October 2008	
Fred Mear		F
Motsomi Marobela (Botswana)	Appointed 6 February 2009	
Joan McGarry (Ireland)	Appointed 23 May 2008	
Sarah Nancollas		H
Nita Odedra	Resigned 18 September 2008	F
Wendy Tabuteau (Chair)		
Gill Taylor		H
Maria Vales	Appointed 6 February 2009	
Andrew Wynne		F
<i>F = members of the Finance Committee</i>		
<i>H = members of the Human Resources and Organisational Development Committee</i>		

The Board operates two sub-committees in order to facilitate its business:

- ◆ Finance; and Human Resources and Organisational Development and convenes ad hoc working groups for specific initiatives

The Board delegates day to day management of the charity to the Chief Executive, who is supported by a leadership team responsible for its principal activities.

**Governance, structure and management** (continued)

During the year, Skillshare International employed staff in offices in Botswana, Burkina Faso, India, Ireland, Kenya, Lesotho, Mali, Mozambique, South Africa, Swaziland, Tanzania and the UK to manage its work, a significant part of which is the engagement and support of development workers who share skills with people in Africa and Asia. There is also a UK supporters' association.

Senior executives (at 31 March 2009)

<b>Name</b>	<b>Position</b>
Cliff Allum	Chief Executive Officer
Tiny Healy	Regional Director (Southern Africa)
Julie George	Regional Director (Asia)
Amos Kibire	Programme Director (East Africa)
Fran Flood	Director Skillshare International Ireland
Amanda Khozi Mukwashi	Head of External Relations
Luís Silva	Head of International Programmes
Jane Carter	Director – Coaching for Hope programme
Rachel Haynes	Head of Resources and Systems
Angus Walker	Head of Finance and Support Services
Jessica Lowe	Head of Communications
Jake Bharier	Strategic Adviser

**Statement of trustees' responsibilities**

Company law requires the trustees to prepare financial statements which give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In preparing financial statements giving a true and fair view, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ 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; and
- ◆ 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enables them to ensure that the financial statements comply with the Companies Act 1985.

The trustees 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.

This report and financial statements are posted on the charity's website. Every reasonable measure is taken to ensure that the report and financial statements are unaltered. The trustees are responsible for the maintenance and integrity of the financial statements presented on the charity website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from that of the place in which these financial statements are viewed.

**Governance, structure and management** (continued)

**Statement of trustees' responsibilities** (continued)

Each of the trustees confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

**Risk management**

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

The principal external risks faced by Skillshare International are the unforeseen collapse of the income base, and political unrest or natural disaster in the countries of operation.

In respect of the first, Skillshare International has a Programme Partnership Agreement (PPA) with its principal funder, the Department for International Development. An agreement was signed by both parties in February 2005 for six years from 1 April 2005. Funding of £7.48 million has been agreed for the period from 1 April 2008 to 31 March 2011.

Skillshare International carries out development work contingent on funding being agreed in advance by donors. The trustees therefore consider the risk of collapse of the income base to be low. Where donors require matching resources trustees ensure that there are sufficient resources to meet such requirements.

Because funding agreements tend to be for several years, most existing agreements are not affected by currency volatility. However, currency fluctuation may impact on the value of funds for our beneficiaries.

In respect of political unrest or natural disaster, as indicated in the section of this report on reserves, the trustees aim to maintain reserves sufficient to enable the organisation to respond to political or natural emergencies.

The trustees believe that the established system of management, through governance, accounting and other internal controls, supported by financial regulations, minimises the risks identified to an acceptable degree.

### **Financial review**

Total incoming resources have increased from £4.96 million to £5.57 million. The increased income has enabled an increase in all our programmes on a consistent basis with the previous year. The increase continues to exceed our 5-year business planning targets.

The PPA grant from DFID is essential for our core programmes and developmental work; this grant of £2.42 million has enabled us to raise an additional £3.19 million. Our aim over the last ten years has been to increase the proportion of our income from sources other than the grant from DFID. The grant now represents 43.1% of our total income, compared with 47.4% in 2007 – 2008, and 76% in 1998 – 1999.

There has been a reduction in the market value of the investments although they are still at a greater value than their original cost.

Restricted income now represents 45% of total income. A significant proportion of the funds raised are advanced to partner organisations. As Skillshare has the responsibility for these funds until they have been accounted for they are initially treated as advances and reflected in our debtors.

In order to meet programme costs the capital expenditure was kept to essential levels although with the real costs of technology reducing some replacements have been met out of operational expenditure.

Cash balances had increased through the increase and timing of restricted grants. Where allowable, cash resources are maintained in interest bearing accounts; some donors require funds to be held in separate non-interest bearing accounts or for interest to be deducted from grants payable

Voluntary income increased primarily through support generated for Coaching for Hope, the resources raised through the Tribal Foundation and other donors.

Gifts in kind are important throughout are work. Specific ongoing support is identified in the notes to the accounts but none are reflected in the financial statements.

### **Reserves policy**

The trustees have agreed that Skillshare International should aim to maintain sufficient reserves primarily to:

- ◆ ensure adequate working capital;
- ◆ meet capital expenditure needs for the year ahead;
- ◆ be able to respond to political or natural emergencies in the countries in which we work; and
- ◆ provide underlying financial stability and resources for newer opportunities.

## Financial review (continued)

### Reserves policy (continued)

The agreed guideline for sufficiency of reserves is for the value of unrestricted funds to be in the range of 15% to 25% of annual expenditure from unrestricted sources. The unrestricted funds, as indicated in the accompanying financial statements (and including fixed assets), at £709k are currently 24% (2008 - 22%) of planned annual expenditure from unrestricted funds. Under the SORP guidelines, the free reserves of the charity are £544k (2008 - £407k) being 18% (2008 - 16%) of planned annual expenditure from unrestricted funds.

### Investment policy

The trustees are empowered by the Memorandum of Association to invest the monies of the charity not immediately required for its objects in such investments, securities or property as may be thought fit.

Part of the reserve is invested. The charity's investment policy is to aim for medium term capital growth in funds at relatively low risk, and where possible, through the application of an ethical investment policy, although the modest scale of the portfolio gives very little scope for this. This is achieved at present, on the basis of professional advice, by investment in government securities and unit trusts. In line with overall market trends the market value of the invested funds has reduced by 10% during the year (2008: decrease 7%).

### Supporters and contributors

The trustees would like to thank all the organisations and individuals who have provided financial resources for our work and without whom our activities would not be possible. A list of our major funders can be found in Skillshare International's Annual Review 2008-2009 available on our website [www.skillshare.org](http://www.skillshare.org) or from the UK office.

The trustees would also like to acknowledge the great contribution made by everybody connected with Skillshare International, including staff, international volunteers, health trainers, partners organisations, our programme advisory committee members and the many who support us individually, either financially or through the provision of their time and skills.

Approved by the trustees and signed on their behalf by:

Chair

*Wendy Gattutean*

Date

*11/12/09*



**Independent auditor's report to the members and trustees of Skillshare International**

We have audited the financial statements of Skillshare International for the year ended 31 March 2009 which comprise the consolidated statement of financial activities, the consolidated and parent charity balance sheets, the principal accounting policies and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985 and the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and the regulations made under that Act. Our audit work has been undertaken so that we might state to the charity's members and 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, the charity's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the statement of trustees' responsibilities.

We have been appointed auditors under the Companies Act 1985 and Section 43 of the Charities Act 1993 and report to you in accordance with those Acts. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 1985 and the Charities Act 1993. We also report to you whether, in our opinion, the information given in the trustees' annual report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the trustees' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion:

- ◆ the financial statements give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2009 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ the financial statements have been prepared in accordance with the Companies Act 1985 and the Charities Act 1993; and
- ◆ the information given in the trustees' annual report is consistent with the financial statements.



Buzzacott LLP

Chartered Accountants and Registered Auditors

12 New Fetter Lane

London

EC4A 1AG

15 December 2009.

**Consolidated statement of financial activities incorporating  
the Income and Expenditure Account** Year to 31 March 2009

	Notes	Unrestricted funds £000s	Restricted funds £000s	Continuing activities	
				<b>2009 Total funds £000s</b>	2008 Total funds £000s
<b>Income and expenditure</b>					
Incoming resources from generated funds					
. Voluntary income	1	2,582	48	<b>2,630</b>	2,592
Charitable activities					
. Development worker programme	2	201	85	<b>286</b>	111
. Other programmes		38	2,245	<b>2,283</b>	1,921
. Policy and advocacy		14	158	<b>172</b>	188
Other incoming resources		203	—	<b>203</b>	148
<b>Total incoming resources</b>		<b>3,038</b>	<b>2,536</b>	<b>5,574</b>	<b>4,960</b>
<b>Resources expended</b>					
Cost of generating funds					
. Fundraising costs		8	33	<b>41</b>	12
. Investment management costs	3	3	—	<b>3</b>	3
Charitable activities					
. Development worker programme	4	1,471	520	<b>1,991</b>	1,778
. Other programmes		737	1,809	<b>2,546</b>	2,424
. Policy and advocacy		586	172	<b>758</b>	577
Governance costs	5	117	30	<b>147</b>	150
Other resources expended					
<b>Total resources expended</b>		<b>2,922</b>	<b>2,564</b>	<b>5,486</b>	<b>4,944</b>
<b>Net income for the year before other recognised gains and losses</b>	6	116	(28)	<b>88</b>	16
Unrealised gains and losses on investments	10	(25)	—	<b>(25)</b>	(13)
<b>Net movement in funds</b>		91	(28)	<b>63</b>	3
<b>Fund balances brought forward at 1 April 2008</b>		618	645	<b>1,263</b>	1,260
<b>Fund balances carried forward at 31 March 2009</b>		<b>709</b>	<b>617</b>	<b>1,326</b>	<b>1,263</b>

There are no other gains and losses other than those included above and therefore no separate statement of recognised gains and losses has been prepared.

**Balance sheets** 31 March 2009

	Notes	Consolidated		Charity	
		2009 £000s	2008 £000s	2009 £000s	2008 £000s
<b>Fixed assets</b>					
Tangible assets	9	165	211	163	208
Investments	10	178	197	178	197
		<b>343</b>	408	<b>341</b>	405
<b>Current assets</b>					
Debtors	11	546	310	612	189
Cash at bank and in hand		751	777	179	682
		<b>1,297</b>	1,087	<b>791</b>	871
<b>Creditors: amounts falling due within one year</b>	12	<b>(314)</b>	(232)	<b>(308)</b>	(227)
<b>Net current assets</b>		<b>983</b>	855	<b>483</b>	644
<b>Total net assets</b>		<b>1,326</b>	1,263	<b>824</b>	1,049
<b>Represented by:</b>					
<b>Funds and reserves</b>					
<b>Income funds:</b>					
Restricted funds	13	617	645	429	515
Unrestricted funds	14				
. General fund		544	407	232	326
. Designated fund for tangible fixed assets		165	211	163	208
		<b>1,326</b>	1,263	<b>824</b>	1,049

Approved by the trustees  
and signed on their behalf by:

Trustee *Wendy Patutear*

Approved on: *11/12/09*

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the requirements of applicable law. Applicable accounting standards and the Statement of Recommended Practice “Accounting and Reporting by Charities” (SORP 2005) have been followed in these financial statements.

**Basis of consolidation**

The consolidated statement of financial activities (SOFA) and consolidated balance sheet combine the financial statements of Skillshare International and its subsidiary companies Skillshare South Africa and Skillshare International (Ireland) at 31 March. Branches of Skillshare International not established as autonomous legal entities are included within the financial statements of the charity itself.

The charity has availed itself of Paragraph 3(3) of schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity’s activities. No separate SOFA has been presented for Skillshare International alone as permitted by section 230 of the Companies Act 1985 and paragraph 397 of the SORP.

**Incoming resources**

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Grants from government and other agencies have been included as income from charitable activities where these support specific activities, but as voluntary income where the money is provided with greater freedom of use, for example as general programme funding.

Where the charity makes payments to cover costs jointly incurred with partners, reimbursements by partners are offset against the relevant expenditure and not included as income.

**Resources expended and the basis of apportioning costs**

Expenditure is included in the statement of financial activities when incurred and includes applicable VAT which cannot be recovered.

The expenditure headings comprise direct expenditure including staff costs attributable to the activity. Where costs cannot be directly attributed they have been allocated on a basis consistent with the use of resources.

**The Resources expended and the basis of apportioning costs** (continued)

Cost of generating funds comprises investment managers' fees and staff costs relating to fundraising initiatives. Cost of charitable activities comprises direct costs of the volunteer development worker programmes, other programmes in the South and policy and advocacy work in the UK; and support costs which consist of the costs of Skillshare offices around the world and the UK-based international programme department. Governance costs include costs relating to management of the charity's assets, organisational management and administration and compliance with constitutional and statutory requirements.

**Gifts in kind**

Gifts in kind are disclosed in note 1 and are not included in the financial statements.

**Tangible fixed assets**

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised.

a. Functional freehold property

Freehold properties used for the direct charitable work of the charity are included in these financial statements at cost at the date of acquisition together with the cost of additions and improvements to date.

Functional freehold properties are depreciated at a rate of 2% per annum on a straight line basis in order to write the buildings off over their estimated useful economic life to the charity.

Other tangible fixed assets

Other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

◆ Fixtures, fittings and equipment	10-25% per annum based on cost
◆ Computers	33.3% per annum based on cost
◆ Motor vehicles	25% per annum based on cost
◆ Improvements to leasehold property	10% per annum based on cost

**Fixed asset investments**

Fixed asset investments are included in the financial statements at their market value as at the balance sheet date. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

**Fund accounting**

Restricted funds comprise monies raised for, or which have their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

The general fund represents those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

**Cash flow**

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements".

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the mid-month rate of exchange at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

**Leased assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

**Pension costs**

The charity contributes to employees' personal pension schemes. Contributions are accounted for when payable.

**1 Voluntary income**

	Unrestricted funds £000s	Restricted funds £000s	<b>2009 Total funds £000s</b>	2008 Total funds £000s
Donations and legacies	162	48	<b>210</b>	242
<b>Government grants</b>				
UK government grants				
· Department for International Development Programme Partnership Agreement (PPA)	2,420	—	<b>2,420</b>	2,350
<b>Total</b>	<b>2,582</b>	<b>48</b>	<b>2,630</b>	<b>2,592</b>

**Gifts in kind**

In addition to the monetary donations above, the charity has received the following gifts in kind during the year, the value of which is not included in these financial statements.

	Approximate annual value	
	<b>2009 £000s</b>	2008 £000s
Rent-free office premises from the government of Botswana	<b>6</b>	6
Rent-free office premises from the government of Lesotho	<b>9</b>	9
Consultancy	<b>10</b>	15

Our partner organisations in Africa and India also provide housing and other support for our development workers.



2 Incoming resources from charitable activities

	Unrestricted funds £000s	Restricted funds £000s	2009 Total funds £000s	2008 Total funds £000s
<u>UK government grants</u>				
Department for International Development				
· Regional Strategy for East Midlands	—	158	<b>158</b>	160
· Integrating Development to Conflict Transformation	—	426	<b>426</b>	349
· IPAP	—	95	<b>95</b>	—
<u>Non-UK government grants</u>				
European Union	—	446	<b>447</b>	391
Ireland. Irish Aid	35	534	<b>569</b>	490
Lesotho Government	—	13	<b>13</b>	—
<b>Other institutional grants</b>				
<u>UK institutional grants</u>				
Big Lottery Fund	—	153	<b>153</b>	207
Comic Relief	—	183	<b>183</b>	220
Christadelphian	—	11	<b>11</b>	—
Care	—	10	<b>10</b>	—
<u>Other UK grants</u>				
EMNGPS	—	—	—	5
Development Education	—	—	—	23
Ipswich Beira	—	14	<b>14</b>	—
Coaching for Hope	38	24	<b>62</b>	67
Rufford	—	5	<b>5</b>	16
Allen	—	—	—	12
Tribal Foundation	—	50	<b>50</b>	—
<u>Non-UK institutional grants</u>				
United States. USAID	—	103	<b>103</b>	31
Botswana. US Ambassador Fund	—	37	<b>37</b>	11
Lesotho. Global Fund	—	19	<b>19</b>	21
South Africa - South Africa Trust	—	—	—	22
Canada - CCI	—	—	—	50
Australian Volunteer International	166	—	<b>166</b>	125
Kelloggs	—	67	<b>67</b>	—
Other grants	14	140	<b>158</b>	20
	<b>253</b>	<b>2,488</b>	<b>2,741</b>	<b>2,220</b>
<b>Income by charitable activities</b>				
International programmes				
· Development worker programme	201	85	<b>286</b>	111
· Other programmes	38	2,245	<b>2,283</b>	1,921
Policy and advocacy	14	158	<b>172</b>	188
	<b>253</b>	<b>2,488</b>	<b>2,741</b>	<b>2,220</b>

**3 Investment management costs**

	Unrestricted funds £000s	Restricted funds £000s	2009 Total funds £000s	2008 Total funds £000s
Investment managers' fees	3	—	3	3

**4 Charitable activities**

	Unrestricted funds £000s	Restricted funds £000s	2009 Total funds £000s	2008 Total funds £000s
International programmes				
· Development worker programme	1,471	520	1,991	1,778
· Other programmes	737	1,809	2,546	2,424
Policy and advocacy	586	172	758	576
<b>Total</b>	<b>2,794</b>	<b>2,501</b>	<b>5,295</b>	<b>4,778</b>

<b>Breakdown of costs</b>	Partnership funding £000s	Volunteer allowances £000s	Direct staff costs £000s	Other direct costs £000s	Support costs £000s	Total 2009 £000s	Total 2008 £000s
International programmes							
· Development worker programme	—	603	542	142	704	1,991	1,778
· Other programmes	1,741	—	142	—	663	2,546	2,424
Policy and advocacy	—	—	172	180	406	758	576
<b>Total</b>	<b>1,741</b>	<b>603</b>	<b>856</b>	<b>322</b>	<b>1,773</b>	<b>5,295</b>	<b>4,778</b>

<b>Breakdown of support costs</b>	Office costs £000s	Premises costs £000s	Financial costs £000s	Indirect staff costs £000s	Other costs £000s	Total 2009 £000s	Total 2008 £000s
International programmes							
· Development worker programme	103	106	7	392	96	704	783
· Other programmes	108	111	7	413	24	663	638
Policy and advocacy	60	61	4	227	54	406	276
<b>Total</b>	<b>271</b>	<b>278</b>	<b>18</b>	<b>1,032</b>	<b>174</b>	<b>1,773</b>	<b>1,697</b>

**Basis for support costs allocation**

Support costs are allocated to the three main activities of the organisation. The allocation across activities is based on identifiable costs directly linked to the activities and the amount of time spent by non-direct staff as estimated by the managers of these staff. Premises costs are allocated based on non-direct staff usage.

**5 Governance costs**

	Unrestricted funds £000s	Restricted funds £000s	2009 Total funds £000s	2008 Total funds £000s
Meeting expenses	19	—	19	15
Legal and professional fees	27	30	57	91
Audit fees	71	—	71	44
	117	30	147	150

**6 Net incoming resources before transfers**

This is stated after charging:

	2009 Total funds £000s	2008 Total funds £000s
Staff costs (note 7)	1,814	1,492
UK auditors' remuneration		
· Statutory audit services – 2009 audit	24	—
· Statutory audit services – 2008 audit	10	20
· Statutory audit services – 2007 audit	—	7
Overseas auditors' remuneration	37	17
Depreciation	81	59
Operating lease rentals	71	60

**7 Employees and staff costs**

Staff costs during the year were as follows:

	Staff based in UK & Ireland £000s	Staff based in Africa & Asia £000s	2009 Total funds £000s	2008 Total funds £000s
Wages and salaries	1,037	539	1,576	1,296
Social security costs	102	6	108	87
Other pension costs	93	37	130	109
	1,232	582	1,814	1,492

The average number of employees during the year, analysed by function, was as follows:

	Full time equivalent	
	2009	2008
International programmes		
· Development worker programme	40	44
· Other programmes	30	16
Policy and advocacy	12	4
Governance	2	1
	84	65

**7 Employees and staff costs** (continued)

One employee earned between £60,000 - £70,000 per annum during the year, including taxable benefits but excluding employer pension contributions (2008 - 1). Employer contributions to a money purchase scheme in respect of the relevant employee during the year amounted to £6,662 (2008 - £6,190).

None of the trustees received any remuneration in respect of their services during the year (2008 - £nil).

During the year, out of pocket travelling expenses amounting to £1,369 (2008 - £884) were reimbursed to 9 (2008 - 6) trustees.

**8 Taxation**

Skillshare International is a registered charity and therefore is not liable to corporation tax on income, as it falls within the various exemptions available to registered charities.

**9 Tangible fixed assets**

<b>Group</b>	Freehold land and buildings £000s	Leasehold improve- ments £000s	Fixtures fittings and equipment £000s	Motor vehicles £000s	Computers £000s	<b>Total £000s</b>
<b>Cost</b>						
At 1 April 2008	84	56	39	231	124	<b>534</b>
Additions	—	—	—	34	17	<b>51</b>
At 31 March 2009	<u>84</u>	<u>56</u>	<u>39</u>	<u>265</u>	<u>141</u>	<b><u>585</u></b>
<b>Depreciation</b>						
At 1 April 2008	21	26	37	147	92	<b>323</b>
Charge for year	1	19	2	53	22	<b>97</b>
At 31 March 2009	<u>22</u>	<u>45</u>	<u>39</u>	<u>200</u>	<u>114</u>	<b><u>420</u></b>
<b>Net book values</b>						
At 31 March 2009	<u>62</u>	<u>11</u>	<u>—</u>	<u>65</u>	<u>27</u>	<b><u>165</u></b>
At 31 March 2008	<u>63</u>	<u>30</u>	<u>2</u>	<u>84</u>	<u>32</u>	<b><u>211</u></b>

9 Tangible fixed assets (continued)

Charity	Freehold land and buildings £000s	Leasehold improve- ments £000s	Fixtures fittings and equipment £000s	Motor vehicles £000s	Computers £000s	Total £000s
<b>Cost</b>						
At 1 April 2008	84	56	37	231	122	<b>530</b>
Additions	—	—	—	33	17	<b>50</b>
At 31 March 2009	84	56	37	264	141	<b>580</b>
<b>Depreciation</b>						
At 1 April 2008	21	26	37	149	89	<b>322</b>
Charge for year	1	19	—	53	22	<b>95</b>
At 31 March 2009	22	45	37	200	114	<b>420</b>
<b>Net book values</b>						
At 31 March 2009	62	11	—	65	27	<b>163</b>
At 31 March 2008	63	30	—	82	33	<b>208</b>

10 Fixed asset investments

Group and charity	2009 £000s	2008 £000s
<b>Listed investments</b>		
Cost at 1 April 2008	<b>167</b>	200
Additions at cost	<b>1</b>	16
Disposals at market value	—	(36)
Net unrealised investment losses and gains	<b>(25)</b>	(13)
Market value at 31 March 2009	<b>143</b>	167
<b>Cash held by investment managers for re-investment</b>		
	<b>35</b>	30
	<b>178</b>	197
Historic cost of listed investments at 31 March 2009	<b>157</b>	156

All listed investments were dealt with on a recognised stock exchange.

Group and charity	2009 £000s	2008 £000s
Fixed interest government stock	<b>72</b>	71
UK listed unit trusts	<b>64</b>	87
International unit trusts	<b>7</b>	9
	<b>143</b>	167

**10 Fixed asset investments** (continued)

The following investments constituted a material part of the portfolio at 31 March 2009.

Holding	Mark value of holding £000s	% of total portfolio
<b>Fixed interest</b>		
Treasury 2.5% 2011	22	15%
Treasury 2.5% 2009	22	16%
Treasury 5% 2012	9	6%
Treasury 4.75% 2015	6	4%
Treasury 2.5% 2013	13	9%
	<b>72</b>	<b>50%</b>
<b>UK unit trusts/OEICS</b>		
Jupiter UT Managers Income Trust	7	5%
Merrill Lynch Fund Managers UK Income Fund	18	13%
Newton Fund Managers Higher Income	19	13%
Jupiter UT Managers High Income Fund	2	1%
Liontrust Investment Funds First Income	6	4%
Artemis Fund Managers Income Fund	8	6%
M&G Securities Recovery Sterling A Inc	4	3%
	<b>64</b>	<b>45%</b>
<b>International Unit Trusts</b>		
SWIP MM Multimanager International Equity	7	5%

**11 Debtors**

	Group		Charity	
	2009 £000s	2008 £000s	2009 £000s	2008 £000s
<b>Due within one year</b>				
Grants receivable	331	210	331	89
Other debtors	136	39	202	39
Prepayments and accrued income	79	61	79	61
	<b>546</b>	<b>310</b>	<b>612</b>	<b>189</b>

**12 Creditors: amounts falling due within one year**

	Group		Charity	
	2009 £000s	2008 £000s	2009 £000s	2008 £000s
Bank overdraft	24	6	24	6
Other creditors	146	150	146	150
Accruals and deferred income	144	76	138	71
	<b>314</b>	<b>232</b>	<b>308</b>	<b>227</b>

### 13 Restricted funds

The income funds of the group include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

Funder	At 1 April 2008 £000s	Incoming resources £000s	Resources Expended £000s	At 31 March 2009 £000s
<b>Irish Aid</b>				
People Living with HIV/AIDS	27	198	(145)	<b>80</b>
Ditshwanelo	37	81	(93)	<b>25</b>
IDPPE	80	136	(216)	—
SWAGGA	53	113	(83)	<b>83</b>
Sport+Art Youth Development	—	6	—	<b>6</b>
<b>Big Lottery Fund</b>				
UNCODET	41	39	(80)	—
ACT	1	—	—	<b>1</b>
TVED	16	—	—	<b>16</b>
Sustainable Livelihoods Namibia Strategic Grant	53	104	(120)	<b>37</b>
	—	10	(10)	—
<b>Comic Relief</b>				
COPA	47	—	(38)	<b>9</b>
LSMHP	4	—	(4)	—
As You Sew	4	—	(4)	—
TXY	6	42	(34)	<b>14</b>
CLASH	9	6	(15)	—
NGEI	—	135	(32)	<b>103</b>
<b>DFID</b>				
Regional strategy - East Midlands	9	158	(167)	—
IDCT	17	426	(443)	—
IPAP	—	95	(76)	<b>19</b>
<b>European Union</b>				
BRICLip	—	258	(258)	—
ENABLE	5	—	—	<b>5</b>
Lesotho Disability Project	51	127	(93)	<b>85</b>
GBV - Botswana	88	7	(95)	—
GHARP	72	54	(126)	—
<b>Elton John Foundation</b>				
Karabong Support Network	2	—	(2)	—
<b>Tribal Group Foundation</b>				
Railway Children India	3	—	(3)	—
NGEI	—	10	—	<b>10</b>
GHARP	—	20	(20)	—
GBV	—	20	(20)	—
<b>Weidemann Associates</b>				
African Education Initiative	11	37	(42)	<b>6</b>
Balance carried forward	636	2,082	(2,219)	<b>499</b>

13 Restricted funds (continued)

Funder	At 1 April 2008 £000s	Incoming resources £000s	Resources Expended £000s	At 31 March 2009 £000s
Balance brought forward	636	2,082	(2,219)	499
<b>Development Education</b>				
EMNGPS-others	6	—	(6)	—
<b>Christadelphian - NGEI</b>	—	11	(11)	
<b>South African Trust</b>	3	—	(3)	—
<b>Global Fund - Lesotho</b>	5	19	(20)	4
<b>USAID - Swaziland</b>	(11)	103	(92)	—
<b>Kelloggs Foundation</b>				
Self Drive Project Botswana	—	67	(1)	66
<b>Coaching for Hope Donors</b>				
Adidas	2	5	(4)	3
FIFA	—	33	(18)	15
UK Sports	1	—	(1)	—
Others	—	7	(4)	3
<b>UCM – Ipswich-Beira Health Initiative</b>	—	14	(9)	5
<b>Lesotho Government</b>	—	13	(13)	—
<b>Fundraising Appeal Ireland</b>	—	33	(33)	—
<b>CARE Conflict Sensitivity</b>	—	10	(1)	9
<b>Other Funders</b>	3	139	(129)	13
	645	2,536	(2,564)	617

The specific purposes for which the funds are to be applied are as follows:

Irish Aid

- ◆ **People Living with HIV and AIDS (PLWHAs)** – The project aims to create an enabling environment for greater involvement of people living with HIV and AIDS in programmes and activities in order to encourage positive living through strengthening selected community support groups (CSGs) and national networks as pilot models in four countries. The project works with four national networks of PLWHAs in Mozambique, Swaziland, Botswana and Lesotho.



13 Restricted funds (continued)

- ◆ **Ditshwanelo**, which means 'rights' in Setswana, is the Botswana Centre for Human Rights. It promotes and protects human rights in Botswana and Southern Africa by advocating for changes in laws and government policies, educating the public, conducting research, and providing direct para-legal support to individuals below the poverty line.
- ◆ **IDPPE (Institutional Support and Capacity Building for the Fisheries Sector, Mozambique)**. The project aims to reduce poverty and support disadvantaged and marginalised communities in Mozambique through increasing the productivity of the small scale fisheries sub sector.
- ◆ **SWAGGA**. This project, in Swaziland, aims to support survivors of abuse by enabling them to develop sustainable livelihoods and strengthening their voices at familial, community and national levels in raising awareness of the problem and advocating for the development of relevant policies in the area of gender based violence.
- ◆ **Sport Art & Youth Development** A project to engage young people in development education in Ireland using sport and the arts.

Big Lottery Fund

- ◆ **TVE (Technical and Vocational Education)** – Strengthening Capacity of TVE: a project to increase the capacity of the National Technical and Vocational Training Programme.
- ◆ **ACT (AIDS Care Trust)** – Developing the capacity of the ACT: a project to provide appropriate services for people with HIV and AIDS, and to raise awareness on the issues around HIV and AIDS.
- ◆ **UNCODET (Uru North Community Development Trust)** – Increasing access to quality health care in Uru North.
- ◆ **Sustainable Livelihoods, Namibia**. This project for rural communities aims to increase access to safe water and sanitation, improve health, livelihoods and food security particularly for those affected by HIV/AIDS, and increase levels of household income for women-headed households.
- ◆ **Strategic Grant** The initial development funding for the major 5-year strategic initiative to manage a portfolio of six projects in the fight against HIV and Aids in Southern Africa. The portfolio will provide a huge amount of support to orphans and vulnerable children through supporting partners to develop and build their capacity.

Comic Relief

- ◆ **COPA (Coalition for Peace in Africa)** – Building the capacity of COPA to support its Conflict Transformation Programme to build peace in Africa.
- ◆ **LSMHP (Lesotho Society of Mentally Handicapped Persons)** – A project tackling discrimination of disabled people in remote areas of Lesotho.

13 Restricted funds (continued)

- ◆ **As You Sew** – A “make poverty history” grant assessing the extent that employment generation through the new textile industry in Lesotho benefits poverty reduction and the children of those employed.
- ◆ **TXY** - To create an enabling environment for Basarwan San living in and around Kang to improve their living condition through sustainable use of natural resources, food production, education and skills training as well as residential and farming land ownership.
- ◆ **CLASH (The Association for Children with Language, Speech or Hearing Impairments of Namibia)** – Empowering families of deaf children in Namibia.
- ◆ **NGEI** The project helps young people in Huruma, an urban slum in Nairobi, to lead an honest and self-reliant life through increasing their skills and opportunities to earn a living whilst improving access to water, waste management and sanitation services for the whole community.

DFID

- ◆ **East Midlands Network for Global Perspectives in Schools (EMNGPS)** – Skillshare International hosts the project that aims to develop global perspectives as a core element of the school curriculum.
- ◆ **Integrating Development and Conflict Transformation (IDCT)** – Building the capacity of civil society internationally to understand and manage conflict constructively.
- ◆ **IPAP** – this project through DFID India started in January 2009 and focuses on the social exclusion of tribal communities in India and provides support for 13 partners over five years.

European Union

- ◆ **BRICLip - Botswana Rural Communities Livelihoods Programme** – The project is to support the capacity building of partner organisations that deliver service directly to the marginalised communities and build the sectoral capacity so that the most marginalised are able to develop skills for sustainable livelihoods in a changed and changing environment. The delivery of the service is to the poorest and marginalised people of West and North West Botswana.
- ◆ **ENABLE (Adult Basic Education for Disabled Learners)** – A programme working to empower people with disabilities and their carers by providing adult basic education (ABE), training and development opportunities, in urban, peri-urban and rural areas of KwaZulu Natal.
- ◆ **Lesotho disability project** – To contribute towards poverty reduction in Lesotho by improving the socio-economic status and livelihood of disabled people. This will be done by building the capacity of the Ministry of Health to co-ordinate civil society agencies working with disability as service providers with the strategic intent of spreading services across Lesotho.

**13 Restricted funds** (continued)

- ◆ **Gender based violence** The aim of this project in Botswana is to reduce poverty through empowering communities socially and economically to challenge gender-based inequalities and enabling more equitable and sustainable development. This is done by reducing the occurrence of gender based violence through strengthening existing psychosocial services for survivors of GBV; empowering vulnerable children; and raising awareness and advocating for policy change.
  
- ◆ **GHARP (Greater Horn of Africa Rainwater Partnership)**. The project is establishing eight community-based sites for promoting integrated rainwater harvesting and management systems, and complementary technologies, in drought prone semi-arid districts of Kenya over a 45 month period.

Elton John Foundation

- ◆ **Karabong Support Network** – To support and strengthen Karabong Clinic to develop a comprehensive system of treatment care and support for people infected and affected by HIV and AIDS.

Tribal Group Foundation

- ◆ **The provision of contributory support to four key projects**

American Ambassadors Girls Scholarship Programme

- ◆ **American Ambassador's Girls Scholarship Programme (African Education Initiative)**  
- To cover school fees, school uniforms and casual clothes as well as mentoring for girls for both pre-school and primary education level between the ages of 5 to 14 years.

South African Trust

- ◆ **Research Project**. The aim was to use evidence based research to advocate for and promote increased regional trade in craft products within Southern Africa in order to increase household incomes, create jobs and other economic opportunities for the benefit of the poor as a key regional poverty strategy.

Global Fund

- ◆ Support to the Disability Project in Lesotho.

USAID

- ◆ The aim of this project in Swaziland was to strengthen the ability of rural and urban women to effectively engage with community leaders or policy makers in order to influence and share control over development decisions and resources that affect them.

Kelloggs Foundation

- ◆ These projects are strengthening and developing participatory approaches for capacity development and strategic capability of the community institutions across Botswana.

**13 Restricted funds** (continued)

- ◆ Support for these programmes in the UK, West and Southern Africa have specifically come from **Adidas, FIFA, UK Sports** and the **Football Association**.

**UCM – Ipswich – Beira Health Initiatives**

- ◆ Provision of international volunteers to support the development of primary health services in Mozambique.

Lesotho Government

- ◆ Contributions towards the European Union funded disability projects in Lesotho.

Fundraising Appeal Ireland

- ◆ Skillshare International Ireland's sponsored fieldwork trip to raise funds and forge links between NGOs North and South.

CARE Conflict Sensitivity

- ◆ A project which funds a conflict sensitivity consortium comprising development and peace building INGOs who are making a commitment to improving the application of a conflict sensitivity approach throughout their programming.

Sufficient resources are held as cash to enable each fund to be applied for the specified purpose.

**14 Unrestricted funds**

Group	At 1 April 2008 £000s	Incoming resources	Expenditure & unrealised losses £000s	At 31 March 2009 £000s
General fund	407	3,038	(2,901)	<b>544</b>
Tangible fixed assets	211	—	(46)	<b>165</b>
	<b>618</b>	<b>3,038</b>	<b>(2,947)</b>	<b>709</b>

**15 Analysis of net assets between funds**

	Group			Charity		
	General fund £000s	Restricted funds £000s	Total 2009 £000s	General fund £000s	Restricted funds £000s	Total 2009 £000s
<b>Fund balances at 31 March 2009</b>						
<b>Are represented by:</b>						
Tangible fixed assets	165	—	<b>165</b>	163	—	<b>163</b>
Investments	178	—	<b>178</b>	178	—	<b>178</b>
Current assets	624	673	<b>1,297</b>	309	482	<b>791</b>
Creditors: amounts falling due within one year	(258)	(56)	<b>(314)</b>	(255)	(53)	<b>(308)</b>
<b>Total net assets</b>	<b>709</b>	<b>617</b>	<b>1,326</b>	<b>395</b>	<b>429</b>	<b>824</b>

## 16 Leasing commitments

### Operating leases

At 31 March 2009, the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Equipment	
	2009 £000s	2008 £000s	2009 £000s	2008 £000s
Operating leases which expire:				
Within one year	41	41	2	—
Within two to five years	2	2	6	—
	<b>43</b>	<b>43</b>	<b>8</b>	<b>—</b>

## 17 Contingent liability

As at 31 March 2009 Skillshare International had an obligation under contracts with its overseas volunteers to meet the costs of travel back to their home countries at the end of their placements. This is subject to satisfactory completion of their placements.

If all 76 development workers and health trainers in post at 31 March 2009 fulfil this condition, the estimated total costs of their return travel would be £45,600.

## 18 Subsidiary undertakings

Company	Country of incorporation	Nature of activity
Action Health	Great Britain	Dormant
Skillshare South Africa	South Africa	Furtherance of activities of Skillshare International in South Africa
Skillshare International (Ireland)	Ireland	Furtherance of activities of Skillshare International in Ireland

	Income £000s	Expenditure £000s	Surplus for the year £000s	Total funds £000s
Action Health	—	—	—	—
Skillshare South Africa	456	444	12	52
Skillshare International (Ireland)	825	753	72	465

All of the above companies are limited by guarantee, and are 100% subsidiaries. The results of the subsidiary companies have been consolidated within these financial statements. As permitted by FRS8, details of transactions and balances with these entities have not been separately disclosed in these financial statements.