

Osiligi Charity Projects annual report

Registered Charity Number 1135331

Trustees' report and accounts
For the year to 31st December 2012



Osiligi Obaya School. Opened in January 2012



Letter from a founder trustee:

At Osiligi Charity Projects, it has been another exciting year. Our supporters have improved the lives of countless people. Many Maasai are walking miles less per day to get clean water. Many homes now have smoke-free, safe and efficient solar lamps to replace the dim, harmful kerosene lamps. Many families are educated in how to grow food for their family and 85 children receive an education thanks to their UK sponsors. The main event is the opening Osiligi Obaya Primary school with its 6 classrooms.

This primary school is different to other rural schools. It has excellent, fully qualified teachers (we had to build teachers' houses to attract them), electricity, water and plenty of teaching aids. These are all things we take for granted in the UK and the West but although available in the private schools of Nairobi, are rare in the rural areas. Most rural schools are little more than a tin shed lacking electricity, lights, water or books.

It may take 17 years for our children to become fully qualified doctors, nurses and engineers who return to help their people, but once they do, they will banish the extreme poverty and hardship in the area. The primary school is the first step on this path. Without this school, the rest is not possible. An excellent education is the catalyst for positive change in this area and the whole of Kenya.

Sometimes, the trustees wonder why they spend so much time on the Charity; then they remember the many wonderful donors, volunteers and supporters. Thank you all for your support as without you this work would not be possible.

Roger Pannell
Trustee

Osiligi Charity Projects

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For the year ended 31st Dec 2012

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1. Introduction

Osiligi Charity Projects, works in the predominately Maasai lands of Olepolos, about 25 miles SW of Nairobi. This is rural Kenya where there are few facilities. Sources of clean water are rare and expensive and any schools, where they exist, are very poor quality.

The charity began operations in March 2010. This report is about the Charity's third year of operation.

In January 2012, the Charity opened the Osiligi Obaya School, the primary school it built at the end of 2011. At the start of 2012, most of the children at this school had UK sponsors who paid the children's school fees. By the end of the year, all children had sponsors. The school has 3 classes of 25 children, with 1 more class of 25 being added each year.

The charity was set-up following the work that John Curtin has been doing since 2004 and Jim Wilkie since 2010 in bringing a group of Maasai Warrior performers to the UK yearly.

The charity produces a quarterly newsletter detailing all the current activities. This is available for download from Osiligi's website www.osiligi.org.

More information on the school is available from the school's website www.osiligiobaya.com

One of the key principles of the charity is that every penny donated goes to support the projects in Kenya. If a donor is kind enough to support any charity, they should expect that all the money is used for the cause. All running costs of Osiligi and all expenses are paid for by the trustees or the individual incurring the expense. This governing principle has been adhered to in 2012.

The only costs not covered by the trustees are the fees charged by the banks or the credit card companies (see 6. Administration and fund raising for more details). The cheapest way for the Charity to receive money is via cheque or a direct transfer.

A second governing principle is that all projects should be for the long term and sustainable. Every investment must be effective long term. During 2012, the Charity has put much effort into ensuring that the school has a solid local management committee to guarantee the long term success of the school.

2. Legal and Administrative Details:

Trust Deed

The charity is governed by the charitable trust deed of 1st March 2010

Charity Registration

The trust was registered with the charity commission on 31st March 2010 under registration number 1135331

Registered Address:

Elwell House
West Buckland
Barnstaple
Devon
England
EX32 0SW

Website www.osiligi.org

Email info@osiligi.org

Phone +44 (0)1598 760289

Bank Accounts:

UK – Co-operative Bank,
P.O. Box 250,
Delf House,
Southway,
Skelmersdale,
WN8 6WT

Kenya – Barclays Bank Ong'ata Rongai Branch

Barclays Plaza
PO Box 30120-00100
Loita Street
Nairobi
Kenya

Independent Examiner:

Mark Birchall FCCA MBA
Gandalf Springs
30 Aveley Way
Maldon Essex
CM9 6YQ

3. Trustees, governance and management

Charity Information

During 2012, the trustees were:

Mrs Helen Pannell B.Ed (secretary)

Mr John Curtin

Mr Jim Wilkie

Mr Roger Pannell MSc C Eng MIET (chair)

To comply with the Charity Commission's recommendation that all trustees should resign in rotation, Roger Pannell resigned during 2012. He was reappointed as a trustee and chairman in June 2012.

All the other trustees were appointed on the 1st March 2010.

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other rewards or other financial benefits. The trustees do not charge for any expenses incurred.

Trustee selection methods

The trustees are responsible for selecting new trustees, subject to the provisions given in the charity trust document. All trustees are required to resign in rotation, the first required resignation was in 2012 when Roger Pannell resigned and was re-elected.

During 2012, two of the trustees visited the Maasai area of Olepolos on four occasions for approximately 2 weeks each time, the costs for these trips being paid for by the trustees.

4. Objectives and activities

The objects of Osiligi Charity Projects are to apply all the income for exclusively charitable purposes for the prevention of poverty amongst the Maasai areas of East Africa, having regard to the guidance issued by the Charity Commission on public benefit and the charity object clauses set out in the trust document.

To this end, in the year to 31st December 2012, the trustees have applied funds for the provision of clean water, the education of children, the continued building of the new school, teaching agriculture and providing more lights for the solar light hire facility. All of these funds have been applied in and around the Maasai area of Olepolos, in Kenya, about 30 miles SW of Nairobi.

Any income not so used in this accounting year has been held on reserve for use on the charitable objectives in subsequent years.

5. Operational review

School

The main work by the Charity during 2012 has been the opening of the Osiligi Obaya Primary School and the continued building work at this school. The preliminary work on the school started during 2010. The actual building work started in May 2011 and by the end of 2011, about 70% of the building work was completed, including the 6 classrooms. The building work is still on-going during 2012 and 2013 and in 2014 we start building more classrooms.

The school is managed by a team of 5 governors, 4 from the local area and one from the Charity.

The builders handed over an empty building. During the year, we had to turn this building into a school by employing the teachers and ancillary staff, adding all the desks, chairs, books, teaching aids, computers and even cooking equipment.

The school started with 2 classes in January 2012, however, it soon became apparent that due to the spread of abilities of the children, we required 3 classes. Thus the Governors quickly recruited one more teacher and more children to fill the now 3 classes.

It has always been the charity's aim to make this school one of the best in Kenya. This way, the children have a good chance to gain access to one of the better secondary schools. The long term aim is that many will come back to the area as well educated individuals, able to help their community. The progress in 2012 has been a good start to this aim.

The charity pays for the initial capital costs of the school (buildings, stoves, desks, solar equipment etc.) but thereafter the running costs and maintenance costs come from the school finances. By the end of 2012, all the children at the school had UK sponsors who paid for the school fees of about £16 per month. This covers the cost of running the school and food for a mid-day lunch. In addition to the money from sponsors, we ask all parents to contribute Ksh1000 (approximately £8) per term to the school.

The school is not owned by the charity. It is owned by a Kenyan not for profit company set up to hold and operate the school on a not for profit basis. All the directors of this company are unpaid. They are all Maasai, from the area.

Clean Water

The well fitted with a hand pump in 2010 is continuing to produce a reliable source of clean water. It is little used during the wet season when other sources are available but during the 6 month dry season, when these other sources dry up, it is heavily used with people coming up to 15 miles to collect water. During the dry season, it often runs out of water by 10:00 due to excessive demand.

Provision of clean water continues to be a major aim for the charity.

Teaching Agriculture

Up to about 30 years ago, the Maasai in this area were pastoralists. Since the Kenyan land laws, they now remain static. This has allowed the children to attend school and for the land to be used for purposes other than animal grazing.

Many Maasai wish to know how to grow food, but they have no knowledge of best practice as their parents never farmed. This year, the Charity started teaching agriculture to adult students.

Solar lights

Previously, people's huts were lit by kerosene lamps. Kerosene lamps, although cheap to buy, produce harmful fumes and give a poor light unsuitable for children's homework. Solar lamps are essentially free to run, clean and give a much better light. However, they are expensive to buy (about £15). Following a donation of £1000, the charity has set up solar lamp rental businesses to allow access to lamps by the poorest people. These businesses are renting the lamps for about 7p per day, about half the daily price of kerosene. Through this initiative, three people have businesses and the community have clean, good light at approximately half the cost of kerosene. During 2012, additional lamps were purchased to support this scheme.

Child sponsorship

By the end of 2012, the Charity sponsored 85 children to attend school; 73 at Osiligi Obaya Primary School, 10 at Maasai Plains Primary School and 2 at secondary schools. Some were orphans, many were from single parent families. All these 85 children were from poor or very poor families.

UK sponsors of primary school children pay £16 per month (more for secondary schools) and this is paid direct to the schools. At Osiligi Obaya school, the parents also pay an additional £2 per month to the school as their contribution to their child's education.

The Osiligi Obaya school adds one more class of 25 children each year so the Charity is looking for 25 new sponsors yearly. The Kenyan school year starts in January.

Sponsorship makes a huge difference to the children. There are 'free' government schools in the area, but the various extra charges make the cost of these schools almost the same cost as Osiligi Obaya, Maasai Plains or other private schools. A typical government school has class sizes of around 60-80 children. Results are usually poor. Private schools are the norm in Kenya and even the poorest people prefer to send their children to fee paying schools. Sponsorship probably makes the greatest difference to girls. Without sponsorship, they are often married off by their

family at a young age in exchange for cows and goats. With sponsorship, they usually complete schooling, by which age they have more control over their own lives.

6. Administration and fund raising

The Charity has a website and facebook page. See:

www.osiligi.org

www.facebook.com/osiligi

www.osiligiobaya.com (the website for the Kenyan school)

Quarterly, the trustees produces a newsletter. This is posted to the website and emailed to interested (and some uninterested) parties.

To enable donation by credit and debit cards, the charity uses Virgin Money Giving (VMG). The VMG website also allows people to publicise and collect money through fund raising events. VMG makes a 3.5% charge from money collected in transaction costs and card fees. This 3.5% reduces the money we receive from donors. During 2012, £1936 was collected through VMG, including reclaimed gift aid.

The charity signed up with Mission Fish to allow people to donate through ebay.

The Charity was accepted into the Big Give 2012 Christmas Challenge. The challenge allows a donation to be doubled by adding additional money from The Big Give and other donors. The Charity used this challenge to raise £12,000 to fund the building of a new classroom. The Charity will be running the challenge again in 2013, and in 2014 it will use the funds from both challenges to build 2 new classrooms, ready for the extra classes in January 2015.

The Maasai Warrior performers visited the UK in September and October. The UK tours of the Warriors are separate from the Charity but are administered by two of the Charity's trustees, John Curtin and Jim Wilkie, as a commercial venture. Although the tours are separate from the Charity, they do give the Charity a publicity boost and an increase in revenue. Many of the new sponsors were from the audience of these tours.

7. Operational Costs

In the UK, the Charity runs from the home office of two of the trustees, Helen & Roger Pannell at the registered address for the charity.

This office is the centre for all the administration, fund raising and project origination and control. All services are freely given and the personal expenses incurred in the

administration of the Charity, from flights and visa cost, living and travel expenses in Kenya, internet and telephone fees, to postage stamps are paid for by the trustees. The only UK running costs of the charity not paid for by the trustees are bank charges including the credit card fees charged by VMG and the Charities Aid Foundation (used by The Big Give) and bank charges on money transferred to Kenya.

In Kenya, projects are administered by Richard Minisa. To cover the cost of miscellaneous expenses incurred, he is paid 3000KSh per month (approx £24). Any large expenses are paid in addition to this. His time is freely given.

Muyaki has been inspecting the work done by the builders. To cover his travel costs to and from the school, he is paid 3000Ksh per month (approx. £24). His time is given freely. The school architect has also been overseeing any school building work, and he is paid 13,000 Ksh (approx. £10) per visit.

By the end of 2012, the charity sponsored 10 children to attend Maasai Plains School. Peninah Minisa selects these children (to a charity brief) and monitors the children on a day to day basis. For these 10 children she is paid a salary of 100KSh (85p) per child per month. Children at Osiligi Obaya school are monitored by the school secretary. The school pays her wage.

8. Financial Review

Total income for 2012 was £81,948 (£191,617 for 2011). Although a considerable reduction on 2011, the charity had no large capital projects to support this year as most of the school building costs were in 2011. The charity was not involved in many fund raising activities this year. Money from UK sponsors for school fees was £11,720 (£3,734 last year) and all of this went to the relevant schools.

Our aim is to exactly match the receipt of money from sponsors to the school fees. This is never possible to the last pound due to exchange rate changes and because sometimes the charity has expenses not budgeted for; for example the purchase of gym clothes for one of the sponsored children from the most challenging family background. Any small difference is taken from or added to the Charity general fund.

General fundraising raised £56,529, including the £12,000 raised via the Big Give Christmas Challenge. The Big Give money is allocated towards building one of the 2 more classrooms that will be built during 2014.

Gift aid contributed £13,690 (£27,231) and this is used to fund projects that are difficult to finance. For example, the school is growing by one extra class each year and hence we have to recruit and house 1 extra teacher yearly. In the UK, it is difficult to fund-raise for teachers' houses as we have little understanding of their need in Africa (they are invaluable in attracting the best teachers to the school).

Although the school opened in January 2012, building work still continues. For example, during January, the school had no usable kitchen, so the children were fed

using the small kitchen in Richard Minisa's house. A total of £49,156 was spent on continuing building work, and the building work is still on-going during 2013. Adding the £49,156 to the expenditure in previous year, the total spent on the school buildings is £220,528 including architect and building supervision fees. This is for a 6-classroom school, a dining room, kitchen, flush toilets, septic tanks, pit latrines and accommodation for 8 teachers.

At the end of 2011, we had an empty building with no facilities required for a school. We had to buy desks, chairs, cookers, plates, books, computers, light bulbs, teaching equipment, and a solar system to provide electricity for the school. All this came to a total of £10,642. My guess is that this is a fraction of the cost of the equipment put into a typical UK school.

Payments for school fees came to £12,740 (a little more than the money received) and finishing off the solar lamp rental project started last year consumed £847.

We started a new initiative this year in the teaching of agriculture, in an attempt to make the community more food secure. This year, the teaching was performed in the Church. Eventually we wish to move it to the school as we increase the range of adult education available at the school. £709 was spent on this project including the teacher's expenses, fencing some land and providing some seeds to the students.

As mentioned above, the Charity pays the expenses of 3 helpers in Kenya whose costs are incurred in supporting the school or the Charity's projects. These costs came to a total of £396.

9. Accounts for 1st January – 31st December 2012

Prepared under a receipts and payments basis:

Receipts

General fundraising	£56,529
Child Sponsorship	£11,720
Gift Aid	£13,690
Interest	£ 9
Total	£81,948

Payments

School Build	£49,156
School equipment	£10,642

Child Sponsorship	£12,740
Administration costs in Kenya	£396
Teaching agriculture	£709
Clean Water	£3
UK costs and expenses	£0

Total £74,493

Surplus (receipts – payments) £7455

Cash funds

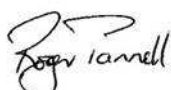
Opening balance (end 2011)	£13,944
Closing:	
Co-op bank UK	£21,399
Barclays Kenya	£0
Total	£21,399

Non cash funds (see 2011 report for more details)

Loan to women's group	£430
Loan to women's group	£424
Loan to Tumpes Masasi	£1652

Total charity funds £23,905

The accounts were approved by the trustees on and signed on their behalf by:



Roger Pannell

Trustee

Date: 17th August 2013



Osiligi Charity Projects		1135331
Receipts and payments accounts		
For the period from	1st January 2012	To 31st December

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Section A Receipts and payments

	Unrestricted funds to the nearest £	Restricted funds to the nearest £	Endowment funds to the nearest £	Total funds to the nearest £	Last year to the nearest £
A1 Receipts					
General Fundraising	56,529	-	-	56,529	140,729
Child Sponsor	11,720	-	-	11,720	3,734
Gift Aid	13,690	-	-	13,690	27,231
Interest	9	-	-	9	91
Chiurch Build Donation	-	-	-	-	18,832
Solar Lights	-	-	-	-	1,000
	-	-	-	-	-
Sub total (Gross income for AR)	81,948	-	-	81,948	191,617
A2 Asset and investment sales, (see table).					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total receipts	81,948	-	-	81,948	191,617
A3 Payments					
School Build	49,156	-	-	49,156	166,088
School Equipment	10,642	-	-	10,642	-
Child Sponsor	922	11,818	-	12,740	2,252
Admin costs in Kenya	396	-	-	396	204
Teaching Agriculture	709	-	-	709	-
Clean Water	3	-	-	3	851
Solar Lamps	-	847	-	847	153
community centre/church	-	-	-	-	24,295
others	-	-	-	-	2,169
Sub total	61,828	12,665	-	74,493	196,012
A4 Asset and investment purchases, (see table)					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total payments	61,828	12,665	-	74,493	196,012
Net of receipts/(payments)	20,120	- 12,665	-	7,455	- 4,395
A5 Transfers between funds	-	-	-	-	-
A6 Cash funds last year end	1,279	12,665	-	13,944	-
Cash funds this year end	21,399	-	-	21,399	- 4,395

MP. 28/9/13

Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B1 Cash funds	Co-op Bank (UK)	21,399	-	-
	Barclays (Kenya)	-	-	-
		-	-	-
		-	-	-
	Total cash funds	21,399	-	-

(agree balances with receipts and payments account(s))


	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B2 Other monetary assets	Loan to Womany Group	430	-	-
	Loan to Womany Group	424	-	-
	Loan to Tumpes Masasi	1,652	-	-
		-	-	-
		-	-	-
		-	-	-

	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
B3 Investment assets			-	-
			-	-
			-	-
			-	-
			-	-

	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
B4 Assets retained for the charity's own use			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-

	Details	Fund to which liability relates	Amount due (optional)	When due (optional)
B5 Liabilities			-	
			-	
			-	
			-	
			-	

Signed by Mark Birchall having conducted independent review

Signature	Print Name	Date of approval
	MARK BIRCHALL	28/9/13

Independent examiner's report to the trustees of "Osiligi Charity Projects"

Registered Charity Trust Number 1135331

I report on the accounts of the Trust for the year ended 31 December 2012, which are set out on pages 1 and 2.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

examine the accounts under section 145 of the 2011 Act;

to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and

to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements: to keep accounting records in accordance with section 130 of the 2011 Act; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: Mark Birchall

Relevant professional qualification or body: FCCA

Address: 30 Aveley Way Maldon Chelmsford Essex.

Date 28.09.2013.

A handwritten signature in blue ink, consisting of a stylized 'M' followed by the text 'MJ BIRCHALL'.