

THE AKILI TRUST

ANNUAL REPORT FOR 2008-9

Charity Name and Number

The Akili Trust: Registered charity number - 1114275

Akili Community Libraries (Kenyan NGO) registered number – OP.218/051/2008/017/5057

Website: www.akilitrust.org

Correspondence Address

119 Victoria Road, London N22 7XG

Trustees

Cleopatra Mukula Ajode

Andrew Ballantyne

Ruth Beedle

Pam Dix (Chair, March 2009)

Lucy Evans (Treasurer)

Laura Gavshon (from January 2010)

Mark Orchard

Anne Sofer

HISTORY, OBJECTIVES AND ACTIVITIES OF THE TRUST

The Akili Trust was established in January 2006 with a remit to establish and support community libraries in Kenya and East Africa, developing from its original base in Malindi District, Coastal Province, Kenya. Trustees were recruited with expert knowledge of Kenya, libraries, education and finance, and charitable status was granted in May 2006 and NGO status in 2008.

Away from the coastal strip favoured by tourists, Coastal Province is one of the least developed areas in the region. There is little electrification and few tarmac roads. English is the language of instruction in all Kenyan schools, but there are few books available for people to read, and many adults cannot afford to buy a newspaper. In primary schools, classes of 80 to 90 children are not unusual. Only 23% of Kenyans attend secondary school and the take up of further education in the region is one of the lowest in Kenya. Yet, there is a real thirst for education and information and libraries are well respected and are seen as key places of free access to learning.

The Akili Trust aims to work with local communities to improve literacy and expand access to information and education. In practical terms, this means:

- Supporting the existing libraries and establishing new libraries as appropriate and when funds are available;

- Ensuring that the libraries have suitable collections of books in English and Kiswahili;
- Ensuring that the libraries are staffed and that staff are recruited from the local community;
- Funding librarian salaries and running costs, including daily newspapers in English and Kiswahili;
- Providing support and training for librarians;
- Establishing local management committees to run the libraries and liaising with them and with local schools and other relevant authorities;
- Maintaining a bursary programme for secondary education.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Akili Trust was created by a Declaration of Trust dated 23 January 2006. The Trust Deed provides for a minimum of three trustees, who are appointed for two or three year terms. When there is a requirement for new trustees, these are identified and appointed by the existing trustees. The Chair of Trustees and Treasurer are responsible for the induction of any new trustee and for circulating information and advice from the Charities Commission and other related organisations.

The Trust Deed gives trustees the power to apply the funds in such a manner as they think fit to further its stated aims. As the Trust aims to spend as much as possible of its funds directly in East Africa, it does not make grants to individuals or organisations who apply for funding speculatively.

Trustees meet at least four times a year to plan developments and monitor progress and finances. The committee reviews quarterly reports and correspondence from the libraries, decides on financial priorities and plans fundraising. Minutes of these meetings are held at the Trust's address. Sub-committees are formed from time to time as required.

The Akili Trust has provided funds for the registration of a sister organisation in Kenya, known as Akili Community Libraries (ACL). The intention is for ACL to provide support and guidance, and eventually to take over day-to-day supervision of Kenyan based activities. At least one Akili Trust trustee will serve as an officer of ACL and Lucy Evans has been appointed Treasurer of ACL. The formal recognition of the NGO status for this group was awarded in May 2008.

In Kenya, each Akili Trust library has a Management Committee, of which a majority is elected by and from the Registered Readers. The Management Committee includes representatives of the primary school where the library is based, normally the Headteacher and the Chair of the Primary School Management Committee. This Committee provides support, encouragement and advice to the Librarian and Assistant Librarian, as well as being a further point of contact and information for the Akili trustees.

ACHIEVEMENTS AND PERFORMANCE OF THE TRUST

During the year ending September 2009, the Akili Trust has continued to support the libraries in Dabaso and Kakuyuni. Akili has also supported other local organisations with books, including the local orphanage and health education projects.

Dabaso Library

Dabaso Library is well established in the local community and as part of the school. It is well used by students from the school during the school day and by students from the nearby local secondary schools. It has a good number of regular adult borrowers, who use the library for book borrowing and for reading the newspapers.

The senior librarian at Dabaso, Stephen Yongo, left his post in September 2009 to develop his career. A new librarian has been appointed at Dabaso, Fred Kittu, and the previous assistant librarian, Josephine Nzaro has been promoted to the senior post. Communication happens regularly, mostly now through email and text messages. Work has been done this year to improve the quality of the quarterly reports to give a clearer picture of the work of the libraries. The librarians are involved in ensuring the bursary students fulfil their duties to the Trust and Fred has been involved on a project with several students to record the history of the local area. There are regular meetings with Kakuyuni Library. In the autumn of 2009 the electricity connection was finally made and the Trust will be arranging to send computers via Computer Aid.

Kakuyuni Library

Kakuyuni Primary School was opened in October 2007 and the head librarian is Janet Kaingu and her assistant is Salim Rajab who has an interest in IT. They have both completed secondary school and have experience working in education.

The Headteacher of the primary school has embraced the Akili vision and worked closely with the librarians to translate this into reality. He set up a very successful Library Management Committee which is meeting regularly to advise on developments and the Chair keeps in close contact with the Akili Trustees. A rigorous programme of class visits to the library has been established and good links made with the local secondary school. A particularly attractive outside area, with thatched shelters (makuti's) set in a garden, has made the library inviting to the local community and it is now a thriving part of the district.

The electricity connection has happened here at the same time so the Trust will be providing computers through ComputerAid. We have been successful in a bid to the Leggatt Trust for money to pay for computer training once the computers have been installed and this is reflected in the Financial Review.

LIBRARY BURSARIES

Each year, the Akili Trust funds the secondary education of a boy and a girl from each 'host' primary school. These students are selected by an independent panel and the choice is based on performance in the national leaving exams and on the family's financial circumstances. The intention is that these bursaries are for able students who would not otherwise be able to afford secondary education. The Trust now pays 100% of the fees, but the students / families are responsible for funding the costs of equipment, uniform and holiday tuition. The progress of the students is closely monitored by the library staff and reported on to the Akili trustees. The students are required to work in the library for about 4 hours per week, though most students have to do this in the school holidays as they are weekly boarders. In August 2009 there was a fire in the main local girls school, Ngala High, which led to a serious loss of buildings and equipment. The Trust has provided additional funds to these students to help with the extra costs that the school has made because of this.

In September 2009 there were ten bursary students, though when the scheme is fully established, the Trust will be supporting eight students in each school, sixteen in total.

Other Activities

The Trustees have concentrated during this year on setting up financial and management systems to ensure that all procedures are clear. Systems have been set up to cover all aspects of the work in the UK and also to ensure that there are clear procedures in the libraries. Staff contracts and conditions have been reviewed and agreed.

The development of the Akili Trust website has also been a priority to ensure that the Trust has maximum publicity and that there is a simple mechanism for donations.

Trustee visit

Three trustees, Pam Dix, Ruth Beedle and Lucy Evans visited Kenya in March 2009. As well as meeting the trustees of our NGO in Nairobi, and sorting out banking and financial issues locally, they spent time in each library, talking to staff, students and management committee members.

During the trip, they met all of our bursary students and many of their parents. It was good to talk to them about their schools and their studies, and see that, like their British peers, they have aspirations for further education, to make a difference in their country and to make life better for their communities. Lawrence, an 18 year old bursary student, said *'My dream is to become a doctor and I have put a lot of concentration on my studies'*. Fiki, aged 18, said that *'through Akili I have been able to acquire encouragement and it is my sincere hope that I will be able to pursue my ambitions'*. Zero, aged 16, said *'My aim is to get a grade A in every exam because in the future I want to be a pilot'*. We have asked the Library Management Committees to investigate grants, bursaries and other funding opportunities for these students beyond secondary education.

On their return to the UK, the three trustees wrote an account of their visit which was distributed to friends, donors and potential donors. We were also able to create postcards from the work produced by the children using art materials which the trustees had taken with them. These have subsequently been sold at fund raising events.

RISKS AND CHALLENGES

It is clear that, with world economies in a state of flux and the impact that this has on exchange rates, budget monitoring is a priority to ensure that the Trust does not become over-committed.

We also recognise as a challenge the difficulties of managing staff and keeping in touch with developments from a distance. Trustee visits have been invaluable in this respect and the Trust aims to ensure direct contacts are made at least once a year.

FUTURE PLANS

Our priorities from September 2009 onwards are:

- To arrange for the transport of the computers to the libraries and get them set up;
- To appoint a trainer to carry out the work that the Leggatt Trust grant will fund;
- To consider strategies for providing internet access and training programmes;
- To continue to provide relevant books, especially books in Kiswahili and featuring African writers and those important for the school curriculum;
- To work with the Dabaso library management committee to improve the area outside the library and create a space similar to that at Kakuyuni;
- To prepare a manual about the recruitment and management of bursary students;
- To develop a fundraising strategy;
- To draft a detailed strategic plan for the next five years.

FINANCIAL REVIEW

The net income for the year was £18,441.62, including one grant of £1,100 to be used for the specific purpose of funding computer training in both libraries. The main rise in our income (from £13k to £18k) was the result of a considerable fundraising drive which included a summer fair which raised over £2,000 and letters to regular donors which provided good results. In addition, there was over £1,600 donated at the funeral for Nicci Crowther, our previous Chair.

Our total expenditure rose to £14,404.98, which breaks down as below. Overall, our net position therefore is improved compared to last year with approximately £4k of net funds and a strong cash position carried forward from previous years.

Expenditure break-down:

Both libraries salaries & running costs:	£6,013.05	Note 1
Electricity at Kakuyuni incl final installation costs:	£758.69	
Infrastructure costs at Kakuyuni:	£1,000.50	Note 2
Purchase of Books & Library materials:	£613.76	
Secondary School bursaries:	£2,899.45	Note 3
Purchase of Computers to send out:	£1,471.00	Note 4
Costs incurred during trustee trip:	£718.86	Note 5
Finalisation of NGO status:	£61.33	Note 6
Training Grant to Stephen Yongo, Librarian:	£107.91	
Money used to generate funds:	£160.36	
Bank, Regulatory & Currency charges:	£603.21	Note 7
UK Admin Costs:	£218.46	Note 8
Currency Fluctuations in Kenya Bank reconciliation:	£(221.60)	
Total:	£14,404.98	

Notes

1. This was an increase in salary costs for a number of reasons. Josephine Nzaro, the library assistant in Dabaso, took maternity leave and an additional member of staff, Fred Kittu, was taken on to cover this and then kept on following her return to work to cover additional areas of responsibility at Dabaso. In addition there was a major increase in inflation across Kenya so all staff were given payrises of more than 25% (see later note). Finally, staff salaries were standardised across the two libraries to ensure a fair and accountable pay structure.
2. This amount includes funding to increase the reading areas at Kakuyuni, including building makuti shelters and providing tables and chairs and other ancillary items. This has given Kakuyuni a good outside space to attract readers.
3. School bursaries increased by an additional four children, two per library, to make a total of 10. Some of the schools allocated were more expensive than the schools we currently work with. There was also an inflation-linked increase in school fees generally at all schools.
4. 14 computers were purchased through Computer Aid International to send out to both libraries.
5. Costs do not include international or domestic flights or hotel and subsistence costs as these were covered by each Trustee. These costs include taxis and properly incurred local expenses only.
6. NGO status was finally completed and papers filed with offices in Kenya.

7. Bank charges were unusually high. This was partly as a result of increased costs around the time of the death of Nicci Crowther as salaries & costs had to be sent from the UK each month instead of using standing orders. There were also overdraft charges in Kenya that the Trustees were unable to avoid till death duties were completed, which took some months. Following a visit to the Kenyan bank in March, standing orders were set up for salaries but bursaries & other costs were still sent by Western Union.
8. The Trustees have worked at reducing administration costs but have also adopted new accounting procedures for these amounts so these figures are much lower than previous years. The aim was to get these costs down to less than 2% of the total expenditure which was achieved successfully.

Currency Fluctuations & Economic Factors

During the financial year to September 2009 there were periods of growing economic uncertainty and civil unrest in Kenya leading to incredibly steep levels of inflation – sometimes at 35-40%. This resulted in rises in general costs, including salaries and bursaries, and since these rises occurred prices have remained much higher in Kenya than in previous years. These rises also had an impact on Sterling/Kenyan Shilling exchange rates and these generally fell overall, although at various times during the year there was also a much higher level of fluctuation month-to-month than normal. For example, in comparison with the previous accounting year the average exchange rate fell from around 128 against sterling to 108 which also had a negative impact on our costs. Banks worldwide also introduced additional charges and rules which meant that sending money to Kenya and paying costs locally were much more difficult than usual and steps are now in place (post this financial year) to alleviate some of these costs where possible. This will not be evident until next year's accounts however.

STATEMENT OF ASSETS AND LIABILITIES FOR Y/E 9/09

D1a	<u>Cash Funds</u>	
	Co-operative Bank UK	0
	CAF Bank UK	13,315.72
	Kenya Commercial Bank	594.74
D1b	Other Monetary Assets	0
D3a	Investment Assets	0
D3b	Assets retained for Charity's own use	0
D2	Liabilities	
Total as per Accounts:		13,910.46

Signed on behalf of the Trustees:

Lucy A. P. Evans

Name:

Lucy. A. P. EVANS

Date:

16th June 2010

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS FOR Y/E 09/09

The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act) as amended by s.28 of the Charities Act 2006) and that an independent examination is needed.

My examination was carried out in accordance with 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 the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the Act); and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Name:

BENJAMIN MORRIS

Date:

16TH JUNE 2010

Relevant professional qualification or body (if any):

ACA

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