

**EAST AFRICA CHARACTER DEVELOPMENT TRUST  
TRUSTEES' ANNUAL REPORT FOR THE PERIOD FROM  
1st APRIL 2018 TO 31st December 2018**

The Trustees present their annual report and the examined financial statements for the 9 month period ended 31 December 2018.

**1) REFERENCE AND ADMINISTRATIVE DETAILS**

The East Africa Character Development Trust (EACDT) was established on 18 January 2013 as the East Africa Cricket Foundation. It is registered as a Charitable Trust (Registered No: 1153030) and, as such, is subject to the regulation of the Charity Commission.

During 2014/15 EACF amended its name from the East Africa Cricket Foundation by inserting “& Educational” into its title in order to give greater emphasis to its intrinsic concern to achieve strong educational outcomes.

Subsequent to 31 March 2017 the charity’s name was changed, again, to East Africa Character Development Trust, to reflect more substantively the emphasis on character development in the charity’s activities.

**Registered address**

EACDT’s principal office and registered address is: 24 Eastwick Crescent, Rickmansworth, Hertfordshire WD3 8YJ

**Trustees**

Those that served as Trustees during the year were:

Chris Newson (Chairman), Derek Breed, Julian Ince, Simon Prodger

Simon Prodger operates as ‘Executive Trustee’, providing leadership to the operational team in Kenya and representing the respective considerations of the Trustees and operational management.

**Bankers**

Barclays PLC, Business Centre, Sutton, Surrey

**External Examiner**

Brian Cook Associates, Marine House  
151 Western Road, Haywards Heath, West Sussex  
RH16 3LH

**2) MISSION AND ACTIVITIES**

**Mission**

Taking the charitable objects as a starting point, EACDT’s stated mission is to transform the lives of disadvantaged young East Africans through character education.

At the heart of EACDT’s mission is an ambition to help those young people with whom EACDT engages to reach their potential at school, at home, in their communities and ultimately in the workplace. It aims to achieve these outcomes by delivering a Character Education programme that has resulted from: a pilot programme devised and developed from research into the work of Dr Martin Seligman and Dr Angela Duckworth, two eminent psychologists in the USA; from research into the operations of the Knowledge is Power Programme in the USA, an educational movement in which Character Education is placed at the heart of its 200 schools; and from research into the work of the Jubilee Centre at Birmingham University, the global leaders of Character Education.

## Activities

### *The EACDT Programme*

At the heart of the EACDT Programme is recognition that if young people are to make sense of their personal and working lives, they need to have the skills, values and attitudes that truly matter - and matter much, much more than academic qualifications. EACDT has taken seven specific character traits (the same ones identified by Dr. Seligman and Dr. Duckworth to be best predictors of personal and professional success).. The seven traits are: Enthusiasm; Perseverance; Self-control; Optimism; Gratitude; Social Intelligence; and Curiosity.

EACDT's programme uses cricket as a method of delivery, recognising that competitive team sports are an ideal vehicle through which to develop character, and that cricket has particular attributes that make it especially ideal.

### *The Need*

Like other East African countries, Kenya contains many places of desperate poverty and deprivation. In most Kenyan schools, sports provision is inadequate because of financial constraints and because the benefits of sport are under-appreciated. In almost every Kenyan school the concept of Character Education is alien.

According to Professor Mike Boit of Kenyatta University (himself a former Olympic medal-winning athlete): *"Primary and secondary schools do not benefit from formal physical education lessons. Extra-curricular activities that include physical education and sport are not considered part of the core curriculum because most institutions do not see its relevance to the world of academia."*

The Trustees recognise that competitive sport should play an important part within the broad life of schools and that it is an ideal tool through which to build character. If you build good character among young people, success in every aspect of a young person's life will follow, not only academically but in other ways.

### *Pilot programme*

A two-year Pilot Programme was launched in July 2014 in sixteen schools in Nairobi, twelve of which are hugely under-resourced 'slum schools' which serve some of Kenya's most disadvantaged boys and girls – an estimated 65% of whom are either orphans or products of a single-parent family as a consequence of AIDS/ HIV. By the end of April 2016, the pilot project was concluded and had engaged and supported over 6,000 boys and girls over its two-year period.

An independent evaluation report was commissioned in May 2016 and delivered to Trustees at their meeting at the end of July 2016. The report is posted and available to any interested party on the EACDT website.

The independent evaluation was very encouraging, and the trustees committed EACDT to continuing its work and, if possible, to expand it.

### *2018 Activities*

Since the completion of the pilot project, the Character Development programme has been continued, now in 17 schools, and continues to operate, engaging up to 4,500 young Kenyans a week, throughout the academic year, predominantly in primary education.

Two new schools have been added to our delivery programme, supported by local corporate partners with deeply vested interests within local communities. The schools are based outside our initial geographical footprint; one is based on the site of a new city being constructed outside Nairobi and the other based in a more rural community south of Nairobi, where the sponsoring company is a major employer and established the school for children of its employees.

The Trustees had been made aware, during the current year, that its core source of funding would come to an end after December 2018 and that, therefore, new funding needed to be sourced to ensure the ongoing delivery of character education. In the period up to December 2018, a number of applications were submitted to various trusts, and new funding was secured, on a joint funding basis,

from 2 parties who have committed funds to cover 2 “hubs”, comprising 8 schools, for a period of three years, commencing in January 2019.

The Trust’s programme continues to excite the children involved in it, continues to impress the teachers in the schools in which it is run and continues to demonstrate that it affects positively the behaviour, performance and conduct of the children that take part in it. The Trustees remain greatly encouraged by all they see on the ground in Kenya and the feedback they receive from the schools involved.

Beyond the new funding sourced from the UK, the Trustees continue to consider essential to the Charity’s operational future that a funding strategy focused on potential donors in Kenya, and offering CSR engagement to local corporate funders, is established as speedily as possible. The Charity has been frustrated to date by delays it has experienced in its application for Tax Exempt Status to the Kenya Revenue Authority. However, following a recent redoubling of efforts to secure such Status, and motivated by its successful partnerships with two corporate partners referred to above, EACDT is developing a model that enables Kenyan businesses to engage in the Charity’s programme by funding schools geographically close to them, or relevant to them in some other way.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Bound by its Trust Deed, EACDT, as a registered charity, is governed by a Board of Trustees.

It is the intention of the Trustees to meet three times each year and on any other occasions as judged necessary in order to review progress and determine matters of governance, strategy and policy.

EACDT Trustees largely delegate the day-to-day management to an Executive Trustee in the UK and to a Programme Director in Kenya. EACDT works in partnership with the Foundation for Youth Cricket and Education in Kenya (FYCEK), which was formed specifically to provide a vehicle through which contracts and payments can be made to support activities in Kenya (and in so doing to invalidate concerns that money spent abroad might end up in the wrong hands) and to provide a vehicle better able to raise funds in Kenya. FYCEK formally employs thirteen local Kenyans (fifteen coaches and an administrator) engaged in delivering and supporting EACDT’s activities in Kenya.

FYCEK’s Trustees include two of EACDT’s Trustees, namely Derek Breed and Julian Ince, the latter resident in Kenya and a Fellow of the Institute of Chartered Accountants in England and Wales. One other FYCEK trustee is a Fellow of the Institute of Chartered Certified Accountants. Strong controls surround the spending of money in Kenya, most of which is for the salaries of the coaches and the administrator. The appointment of Trustees of FYCEK is subject to approval by the Trustees of EACDT.

EACDT Trustees are confident they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

EACDT, together with its sister charity in Kenya, FYCEK, has been developing safeguarding policies that will reflect the developing circumstances surrounding the charities’ delivery and ensuring it is compliant to both the Charity Commission’s instructions in UK and Kenyan governance. Subsequent to December 2018 these policies have been finalized and approved by the Trustees and put into effect by the coaches in the schools in which EACDT/FYCEK operate our programme.

## **STRATEGIC REPORT**

### **Performance and achievements**

Partnerships with schools have continued to strengthen in the past 9 months and some Head Teachers have confirmed an increase in students now enrolled in their schools, many as a result of parents in their local communities having become aware of what their school is offering through the partnership with EACDT. Without exception, Head Teachers continue to report fundamentally positive effects of our delivery in their schools: how exam results have continued to improve; attendances improve; role models and team leaders establish themselves within the student groups; and more motivated and engaged children across general school activities.

Teachers themselves are more interested and focused on our work within their schools as the government has now determined that “life skills/character” must be a deliverable within the national curriculum - although to date, no syllabus, no training and no further resource has yet been provided to schools within the state system. As a result, EACDT’s delivery is being highlighted as schools’ means of delivering against the Government’s instructions. The Kenya government has been reviewing its primary education delivery, with changes to be introduced to focus on “competencies” as much as pure academic results. This will add further value to our work.

There is growing evidence that the teaching of character is making a very positive impact on young students in a permanent and broad way. A number of teenagers that have been engaged with us through their schools are beginning to flourish outside the school environment: some are now supporting our coaches at former schools and at clubs; a group of students is now employed as official scorers for cricket clubs around Nairobi, thus demonstrating their personal value and emphasising the value, both financially and personally, of their character development. One teenage girl is now a fully-fledged member of the national ladies cricket squad, having only been introduced to the game 2 years earlier through our delivery at her school. She has developed from never having left her local slum community to represent her country overseas in South Africa, Namibia and Rwanda.

### **Financial review**

The Trustees are responsible for keeping proper accounting records which disclose the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps to prevent and detect fraud and other irregularities.

The Trustees prepare financial statements for each financial year in accordance with the requirements of the Charities Act. Because donations total less than £250,000, the Trustees are only required to prepare a Receipts and Payments account, which they supplement with some explanatory notes.

During 2018, the Trustees decided to change the Charity’s accounting period end to 31 December, as the calendar year is the academic year in East Africa and is also the reporting period of a major donor. As can be seen from the Receipts and Payments account for the 9 months to 31 December 2018, receipts exceeded payments by £30,624, a major improvement from the year before, when receipts exceeded payments by only £2,418; and an even more significant improvement from the year before that when payments exceeded receipts by £31,034. Donations decreased, by just over £70,000, but costs decreased even further, partly because the latest reporting period is a 9 month period and not a 12 month one, but principally because fund-raising costs reduced by nearly £60,000 as the period in which a professional fund-raiser had been used came to an end in April 2018.

Funds in hand at 31 December 2018 were £51,640, up from £21,016 at 31 March, reflecting the surplus. Surpluses and funds on hand have continued to grow in 2019 as fund-raising efforts pay dividends and costs stay broadly static.

The Trustees are conscious of the importance of building up reserves to a level that will enable future activities to be planned with confidence. The current policy is to build up reserves so that a minimum of three months’ anticipated expenditure – about £40,000 - is held in reserves for the following year and, over time, to ensure that a full six months’ expenditure is retained.

## **Future plans**

Future plans depend to a considerable extent on the levels of funding the charity is able to raise. Funding has moved on from its historic reliance on the support of one private family foundation, and strategies to raise funds in UK, Jersey and, particularly, Kenya are proving successful.

Provided adequate funds can be found, the Trustees plan to develop the charity's activities at a group of schools in southern Nairobi that include senior schools in order to demonstrate the hypothesis that the charity's programmes can be as successful in secondary schools as they are proving to be in primary ones. As further funding beyond that develops, then the Trustees will actively seek opportunities in other deprived areas of Kenya, particularly the Kibera slum in which the Charity currently does not run any programmes.

A long-term aim of the Charity is to embed itself into the core Kenyan curriculum as defined by the Ministry of Education, thus at least, enabling it to operate with a mandate and approval from the Government.

## **Principal risks and uncertainties**

A significant risk of operating in East Africa is the political environment, which, as we discovered in 2017, can be very volatile. The cancelled general election and the subsequent 60 days of uncertainty and volatility led to the complete drying up of discussions with Kenya business to develop a local funding strategy. The atmosphere became very toxic, placing our coaches and the children they coach at risk in certain instances, as social unrest and violent rioting proliferated in the slum communities. Schools suffered from local vandalism and candidates of competing parties focused on schools and community facilities, or lack of, to fight for support at the polls. All this caused levels of uncertainty within our engagement footprint and was, in its way, somewhat destabilising.

There is a great deal that can and does influence the environment in which EACDT operates that it cannot control itself; a key uncertainty is future funding. Essential to the future of the charity, the Trustees believe, is establishing effective means of funding and corporate engagement within Kenya itself. The Trustees see this as the principle means of funding moving forward, as support for overseas projects in the UK is becoming less appealing to donors and corporate engagement increasingly focuses on local delivery, where UK businesses can develop CSR projects. Critical to the success of such a strategy is certification from the Kenya Revenue Authority (KRA) for tax exemption, which provides a measure of formal approval for the Charity's activities in Kenya. The Trustees believe this approval is now closer than ever, but after three years from the date of application are not holding their breath until it is received.

We rely on a small group of Kenyan citizens and residents for our operations in the country, and the Project Director (a citizen) is the key person within this group. Replacing him would be challenging.

## **GOING CONCERN**

As set out above, the Charity's funding has developed from a reliance on one source, the family foundation of the founding trustee, and it has risen to the challenge of finding people or organisations willing to fund the Charity. Financial reserves have risen in the period under review, and have grown still further in 2019. The Trustees therefore consider that EACDT qualifies as a going concern.

## **Signed on behalf of all trustees**

**Signature:**

**Name:** Simon Prodger

**Position:** Trustee

**Date:** 24 October 2019