

**DAVID RATTRAY MEMORIAL TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2015**

DAVID RATTRAY MEMORIAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

R Woodhead
T O'Malley
B Carroll
R Kugler
H Lloyd
D Mayhew
L van der Post
T Boardman
S E Olivier

Charity number

1119353

Principal address

26 Gosfield Street
London
W1W 6HH

Auditors

Cansdales
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Bankers

HSBC Bank plc
The Peak
333 Vauxhall Bridge Road
London
SW1V 1EJ

DAVID RATTRAY MEMORIAL TRUST

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DAVID RATTRAY MEMORIAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2015

The Trustees present their report and accounts for the year ended 5 April 2015.

Structure, governance and management

The Trust was established in March 2007 to commemorate the life and work of David Rattray, a world renowned historian of the Anglo-Zulu Wars, who was tragically killed on 26th January 2007. He devoted much of his life to the reconciliation of the peoples of South Africa and had a life-long passion for the promotion and caring of the Zulu people around the world. The Trust is constituted under a trust deed dated 23rd March 2007.

The Trust's Objects are:

To advance education and raise awareness about different racial groups in order to promote good relations between persons of different racial groups by promoting knowledge and mutual understanding with particular reference to South Africa and its historical context;

To advance the education of young people in the United Kingdom in the subject of racial reconciliation with particular reference to South Africa and its historical context;

To promote sustainable development for the benefit of the public by

(a) the preservation, conservation and protection of the environment and the prudent use of resources in southern Africa and

(b) the relief of poverty and the improvement of the conditions of life of socially disadvantaged communities in southern Africa particularly in the areas of education and health.

Trustee Selection & Training

The Trust benefits from having many highly qualified and experienced trustees who are also active in other charities. The trustees are appointed by resolution of the remaining trustees for a term of three years. Trustees can serve for additional periods, each period being for three years.

New trustees are nominated by members of the board of trustees who appoint the new trustee if they have the necessary skills to contribute to the Trust's management and development. Where new trustees are appointed they are given a formal induction to the work of the Trust and provided with the information they need to fulfil their roles, which includes information about the role of trustees and charity law.

Public Benefit

The objects and purpose of the Trust are set out above. The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting grant making policy for the year.

Management

The board of trustees meet formally at least two times a year. During the year ending 5th April 2015, the trustees met on two occasions. The Trust does not employ any staff and all activities are carried out by the trustees who receive no salary or expenses.

Trustees who served during the year and to date were:

R Woodhead

T O'Malley

B Carroll

R Kugler

H Lloyd

D Mayhew

L van der Post

T Boardman

(Appointed 17 May 2015)

S E Olivier

(Appointed 17 December 2014)

P Tehan

(Resigned 16 June 2014)

DAVID RATTRAY MEMORIAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2015

Objectives and activities

We believe that our mission is to help provide education and care for children in the poorest areas of rural southern Africa. The Trust's goal is to give these children the chance to lift themselves out of their extremely disadvantaged background by working to improve educational facilities, standards and care for children. The trustees have adopted a policy of concentrating on a limited area and a small number of schools believing in that way it can make a significant difference and give the local community the capacity to bring about sustainable social transformation. The current area of support is in the Umzinyathi district of rural Kwa-Zulu Natal, South Africa, which surrounds Fugitives Drift, the home of the Rattray family.

The trustees have decided that the best way to achieve this focus to educate and care for children in a defined area of remote rural Kwa-Zulu Natal is by working with and supporting the David Rattray Foundation (DRF) in South Africa by making grants for specific projects and activities.

Most of the trustees have visited Kwa-Zulu Natal and spent time with the Chief Executive Officer (CEO) of DRF and visited the supported schools. The trustees' policy is to make awards of grants to DRF to support specific projects and activities. Requests for a grant from DRF are sent by the CEO of DRF to the trustees with full backing information, estimated costs and timetable for implementation. These are then reviewed at a meeting of the trustees and approved if they fall fully within the Trust's objects and also meet the Trust's values of economic regeneration, sustainable improvements and involvement of the local community (see below).

Values

- To acknowledge that one of the most effective means of encouraging economic regeneration in deprived rural communities is through the education, care and support of children.
- To give priority to improvements that are sustainable, and which respect the environment as well as the traditional culture of the Zulu peoples.
- To ensure that the Trust's work is undertaken in co-operation with local communities, acknowledging that shared commitment is the most effective way to encourage progress.

DAVID RATTRAY MEMORIAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2015

Achievements and performance

The Trust continued to make grants from monies raised at the major fund-raising event of 2011 and donations received from private individuals who have visited Fugitives' Drift or otherwise been affected by David Rattray and the legacy of his work. This has funded a range of projects for continued improvement at the schools supported by the DRF.

We funded an Impact Assessment carried out by the University of KZN to quantify the benefits of the work done by the DRF. They found that there were a number of variables that affect school performance but reported that "both the schools and the Dept of Education officials say, qualitatively, that there has been a vast improvement in their school since the DRF began its improvement programme. There is a greater sense of purpose, of pride and of achievement in these schools, pass marks have improved by 48% and the number of children who go on to tertiary educational institutions has increased by 32%".

Since most of the infrastructure projects at our supported schools had been tackled, the Trust decided there was a need to focus on the future development and means of ensuring the sustained growth of DRMT and DRF. As a result an independent consultant Georgie Fienberg, who had played a significant part in the growth and development of Afrikids, was commissioned to support and give advice on a full organisational review as to how best to achieve long term growth and stability of funding.

As a part of this work the Trust funded a strategic review of the work of the DRF to assess the achievements of the past seven years and help determine future areas of focus. The results of this review and the actions to be taken were determined after the end of the year and form a significant part of the Trust's Future Plans for 2015-6 and beyond.

The refurbishment of libraries was extended to 13 schools and 75 per cent of our supported schools now have an active functioning library that is well used and maintained. This compares with an average of only 6 per cent of schools in the Province of Kwa-Zulu Natal having libraries.

The community building which we funded at Oscarsberg School, adjacent to the site of the Battle of Rorke's Drift, is now in full use and serves the school in a variety of roles. Approximately 25 per cent of the structure is dedicated to the school's administrative centre; 25 per cent is dedicated to an instructional art centre, used primarily by the School under the DRF's Lalela Programme for graphic art activity; the balance of the building is in frequent use as a school hall, for plays, assemblies, award ceremonies, as an examination hall, for movie nights and similar functions (including frequent use by DRF for Duke University Principals' Management Courses and DRF Schools Group meetings).

For a fourth year, we supported a residential Summer camp for teenaged pupils from supported schools which fostered community and personal development through music, dance and other group exercises. Since their inception in 2012, these Camps have become a major feature in the lives of the school children from our supported schools. Approximately 150 children attended the 5-day camps. The focus is safety, fun, personal development and growth. The children are supervised at all times, some of the teachers from their schools come to assist and an artistic group from Durban provided the course content. Pre- and post-Camp surveys of the children's attitudes and abilities show clear improvements in key areas of behaviour and the Trust is pleased to be able to continue support for these Summer camps.

In partnership with Walking with the Wounded we actively promoted a Gala showing of the film Zulu to mark the fiftieth anniversary of its original release. Our share of net proceeds exceeded £36,000.

DAVID RATTRAY MEMORIAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2015

Future Plans to review and implement the detailed recommendations and findings of the Organisational Review.

1. To take steps better to promote the work of the Trust and DRF by rebranding the Trust and DRF.
2. To develop and launch a new web site to improve communication with donors and to support the generation of new donations and grants.
3. To support and fund the establishment of an Education Resource Centre with four main areas of operation: pre-school activities, grant making, extra-mural support, and monitoring & evaluation. The Centre will be based in the community hall in Rorke's Drift and funding will be provided for its refurbishment.
4. To look to appoint a permanent member of staff to support fund raising activities both in the UK and in South Africa.
5. To look to support and establish properly equipped preschools, with competent, dedicated and trained staff.
6. To continue to support and fund Summer camps for children from our supported schools.
7. To support the Lalela project, a developmental programme which uses the medium of art to build self-confidence, self-expression and an entrepreneurial spirit in those who attend. It is a "safe space" where children can explore their perceptions of the world and where no answer is wrong.

Financial review

Funds from the Zulu film Gala represented the bulk of our income in the year. We continue to rely upon regular and ad hoc donations for much of our income. The strategic review may result in a more pro-active approach to fund-raising.

The Trust's preferred method of operation is to identify projects that supplement local education provision and do not take responsibility away from the local South African Departments of Education, have the support of the local community, and which we believe are sustainable in the long term. We also want to ensure that projects are actively and successfully managed. Projects approved for funding during the year, described on the previous page, satisfied these criteria and were in line with the Trust's Objects to advance education and promote sustainable development. A final tranche in funding for the new building at Oscarsberg School represented around half of approved payments, with support for pre-school development and libraries refurbishment comprising the bulk of the remainder. Governance costs included the organisational review.

Balances include funds raised at the major fund-raising event in 2011. We believe that these allow the Trust to continue to maintain its current approach to meet our Objects and provide the basis for funding future plans. The balances held by the Trust will vary from time to time dependent on the flows of money collected and also on the number of projects that DRF can manage and implement.

Reserves policy

The trustees have decided to adopt a low risk approach and hold surplus funds in short term UK deposit accounts and in order to minimise currency risk also have a South African deposit bank account, to hold a proportion of assets in South African Rand.

DAVID RATTRAY MEMORIAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2015

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources of the trust for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Trustees on 19 January 2016 and signed on their behalf:

On behalf of the board of Trustees

R Woodhead

Trustee

Dated: 19 January 2016

DAVID RATTRAY MEMORIAL TRUST

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF DAVID RATTRAY MEMORIAL TRUST

We have audited the accounts of David Rattray Memorial Trust for the year ended 5 April 2015 set out on pages 8 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 5 April 2015 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

DAVID RATTRAY MEMORIAL TRUST

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID RATTRAY MEMORIAL TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Cansdales

Chartered Accountants

Statutory Auditor

Bourbon Court

Nightingales Corner

Little Chalfont

Bucks

HP7 9QS

Dated: 20 January 2016

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

DAVID RATTRAY MEMORIAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2015

	Notes	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<u>Incoming resources from generated funds</u>					
Donations	2	47,470	-	47,470	23,823
Investment income	3	3,466	-	3,466	3,275
Total incoming resources		50,936	-	50,936	27,098
<u>Resources expended</u>					
Costs of generating funds					
Costs of generating donations and legacies	4	3,285	-	3,285	3,007
Net incoming resources available		47,651	-	47,651	24,091
Charitable activities					
Payments to David Rattray Foundation		40,188	-	40,188	87,095
Other grants		-	-	-	7,696
Total charitable expenditure		40,188	-	40,188	94,791
Governance costs		14,744	-	14,744	30,622
Total resources expended		58,217	-	58,217	128,420
Net expenditure for the year/ Net movement in funds		(7,281)	-	(7,281)	(101,322)
Fund balances at 6 April 2014		326,754	9,945	336,699	438,021
Fund balances at 5 April 2015		319,473	9,945	329,418	336,699

All of the above amounts relate to continuing activities and include all recognised gains and losses.

The notes numbered 1 to 9 form part of the accounts.

DAVID RATTRAY MEMORIAL TRUST

BALANCE SHEET

AS AT 5 APRIL 2015

	Notes	2015 £	£	2014 £	£
Current assets					
Cash at bank and in hand		378,187		344,867	
Creditors: amounts falling due within one year	7	(48,769)		(8,168)	
		<hr/>		<hr/>	
Total assets less current liabilities			329,418		336,699
			<hr/> <hr/>		<hr/> <hr/>
Income funds					
Restricted funds	8		9,945		9,945
Unrestricted funds			319,473		326,754
			<hr/>		<hr/>
			329,418		336,699
			<hr/> <hr/>		<hr/> <hr/>

The accounts were approved by the Trustees on 19 January 2016

R Woodhead
Trustee

T O'Malley
Trustee

The notes numbered 1 to 9 form part of these accounts

DAVID RATTRAY MEMORIAL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2015

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 2011.

1.2 Incoming resources

Income is recognised in the period in which the Trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1.3 Resources expended

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be recovered. Costs of Charitable Activities include those costs which meet the objectives of the Trust. Governance costs are those incurred in meeting the statutory requirements of running the Trust.

1.4 Foreign currency translation

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange of the most recent transfer from the sterling bank accounts. Transactions in foreign currencies are also translated into sterling at the rate of exchange of the most recent transfer from the sterling bank accounts. Exchange differences are taken into account in arriving at the surplus or deficit.

1.5 Grants

Grants are treated as expenditure when authorised by the Trustees and communicated to beneficiaries, not when the grants are paid.

1.6 Tax status

The Trust is a registered charity and therefore is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.7 Funds accounting

Funds held by the charitable company are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds – these are funds which can only be used for particular purposes within the objectives of the charitable company. Restrictions arise when specified by the donor or when funds raised for particular restricted purposes.

2 Donations and legacies

	2015	2014
	£	£
Donations and gifts	47,470	23,823
	<u> </u>	<u> </u>

DAVID RATTRAY MEMORIAL TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2015

3 Investment income

	2015 £	2014 £
Interest receivable	<u>3,466</u>	<u>3,275</u>

4 Total resources expended

	2015 £	2014 £
Costs of generating funds		
Costs of generating donations and legacies	<u>3,285</u>	<u>3,007</u>
Charitable activities		
<u>Payments to David Rattray Foundation</u>		
Activities undertaken directly	40,188	87,095
<u>Other grants to institutions</u>		
Activities undertaken directly	-	7,696
	<u>40,188</u>	<u>94,791</u>
Governance costs	<u>14,744</u>	<u>30,622</u>
	<u>58,217</u>	<u>128,420</u>

Governance costs include payments to the auditors of £2,208 (2014: £2,100) for audit fees as well as gains/losses which arose from foreign exchange differences. For the year ended 5 April 2015 difference on foreign exchange amounted to £2,040 (2014: £30,622).

5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, nor were any expenses reimbursed to Trustees (2014: nil).

6 Employees

There were no employees during the year (2014: None).

DAVID RATTRAY MEMORIAL TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2015

7 Creditors: amounts falling due within one year	2015	2014
	£	£
Other creditors	45,841	6,050
Accruals	2,928	2,118
	<u>48,769</u>	<u>8,168</u>

8 Restricted funds

	Movement in funds			Balance at 5 April 2015
	Balance at 6 April 2014	Income for the year	Expenditure for the year	
	£	£	£	£
Libraries	9,945	-	-	9,945
	<u>9,945</u>	<u>-</u>	<u>-</u>	<u>9,945</u>

The charity has the following restricted funds:

- Two donations of £20,000 each were received in prior years to be used for libraries in South Africa. This work is underway as appropriate for different schools.

9 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 5 April 2015 are represented by:			
Current assets	368,242	9,945	378,187
Creditors: amounts falling due within one year	(48,769)	-	(48,769)
	<u>319,473</u>	<u>9,945</u>	<u>329,418</u>