

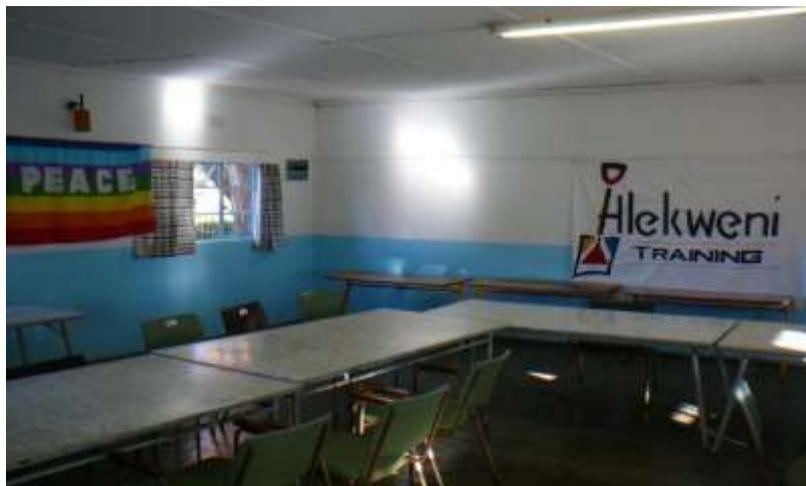


Friends of Hlekweni



Report and Financial Statements
Year ended 31 March 2014

Charity number: 1126598



The main meeting room at Hlekweni





Administrative and financial information

Trustees:

Susan Lee Taylor (Chair/clerk)
Roger Moore (Treasurer)
David Brown (co-opted during 2013/14)
Don Rowe
Ruth Findlay

Contact address:

The Quaker Centre, 1, Oakley Gardens, Downhead Park, Milton Keynes, MK15 9BH.

info@friendsofhlekweni.org.uk

Charity number: 1126598

Examiner of accounts: Martin Sale

Banker: The Cooperative Bank, Balloon St, Manchester.



Report of the Trustees for the year ended 31st March 2014

The Trustees present their report and the financial statements for the year 1st April 2013 to 31st March 2014.

Structure, Governance and Management

Friends of Hlekweni is administered and managed by the Trustees in accordance with the constitution first agreed on 21st April 2008, revised at the Special Meeting on 12th October 2008 and registered by the Charity Commission on 6th November 2008. This charity derives from charitable work formerly carried out by Milton Keynes Local Meeting of the Religious Society of Friends, principally in support of the Hlekweni Friends Rural Service Centre (HFRSC) near Bulawayo, Zimbabwe (see www.hlekweni.org for more information about Hlekweni itself). We also support work in the wider area of Matabeleland.

The Trustees were appointed at the 2013 Yearly Business Meeting in accordance with the constitution; in September 2013, we co-opted a further Trustee, David Brown. The Trustees met four times during the year and had contact by email, phone and skype between meetings. At Trustees' meetings, grant applications are considered and decisions on grants are taken. Reports are received from existing projects. Decisions are taken on matters of policy and procedure for the running of Friends of Hlekweni. Fund-raising, publicity, contact with supporters and liaison with other bodies are also considered.

All meetings of Friends of Hlekweni are held in the manner of Friends, using the Quaker business method for formal meetings. A Yearly Business Meeting is held which all members are entitled to attend; due notice is given of the date of the YBM and its agenda.

Membership of the charity is open to any individual over eighteen who is interested in helping Friends of Hlekweni to achieve its aim, willing to abide by the constitution, and willing to pay the subscription agreed by the Trustees which is currently £25.

Objects & Activities

The aims of Friends of Hlekweni are the relief of poverty and financial hardship, the advancement of education and the preservation and protection of good health, at Hlekweni Friends Rural Service and in Matabeleland, Zimbabwe.

In order to achieve this aim, Friends of Hlekweni currently undertakes the following activities:

- a) Receiving and assessing applications for support from projects working to further the aims of Friends of Hlekweni, and agreeing grants;
- b) Supporting the development, management, monitoring and evaluation of approved projects;
- c) Raising funds, and organising events;



- d) Communicating with supporters through a twice-yearly newsletter, speaking engagements and other means;
- e) Working with similar groups and exchanging information and advice with them;
- f) Keeping in close touch with colleagues at Hlekweni, Samathonga school, Bulawayo Quaker Meeting, and Quakers in Central and Southern Africa Yearly Meeting (CSAYM).

Risk Management

Trustees have continued to consider and review the major risks to which the charity is exposed and to take an active approach to managing these. We have stated before that we recognise that working to support projects in Zimbabwe is inherently risky due to the situation there. The Trustees maintain frequent contact with grant recipients by email and phone, and request written reports, preferably with photographs. The Trustees also meet with, or keep in contact with, others interested in Hlekweni and the wider situation in Zimbabwe where possible.

Trustees keep themselves informed about the overall situation in Zimbabwe through the media, by liaison with other groups in this country and abroad, and contact with the relevant UK government department as appropriate. We have close relationships with Quakers in Zimbabwe (Bulawayo and Harare) including Board members and Trustees, and with Friends more widely in Central and Southern Africa Yearly Meeting. The Clerk visited Hlekweni in April 2013, and attended Central and Southern Africa Yearly Meeting in Cape Town later in April 2013; the Director also attended, participating in an Alternatives to Violence training session and other YM business, and gave a report on Hlekweni to the YM.

Trustees recognise that Friends of Hlekweni is a small charity which has grown rapidly over its first few years and the need to maintain a stable base in order to sustain further growth. We are grateful for the continuing support of Milton Keynes Quakers and a growing number of Quaker meetings across the UK. We are particularly grateful for the work of our Examiner, Martin Sale.

Trustees became concerned at the level of reporting on grants made to Hlekweni FRSC during the year; one of our Trustees spent a month there in November 2013 to work with the Director, Innocent Moyo, primarily on financial matters, and a further three months from February 2014. The clerk returned to Hlekweni in March 2014. Throughout the year, the clerk has been in touch with Friends in Bulawayo Monthly Meeting and with Friends in Central and Southern Africa YM, and Trustees encouraged and supported a visit to Bulawayo from concerned Friends from CSAYM in January 2014.

Through the work of one of our Trustees in the Finance Office at Hlekweni, and the 2012/13 audit report, no evidence was found of fraudulent use of Friends of Hlekweni monies sent to Hlekweni FRSC; however, poor financial control and management has been evident. One earmarked grant (for staffing restructuring, including retrenchment and retirement payments) had to be spent on general expenditure, largely to keep the centre going.



Activities for Public Benefit

The Trustees have complied with their duty in Section 4 of the Charities Act 2006 to have due regard to the public benefits guidance published by the Charities Commission when exercising any powers or duties to which the guidance is relevant. We have noted the updated guidance from the Charities Commission.

In Zimbabwe, the very high cost of living compared to the average wage, the very high level of unemployment, unreliable water and electricity supplies, frequent failing harvests due to unpredictable climate conditions (although the 2014 harvest was good), poor health care and other infrastructure provision all combine to make life very challenging indeed for those living there. The Trustees' overall policy gives priority to projects that aim to tackle the problem of poor nutrition by improving sustainable agriculture. They support possible routes out of poverty through vocational and small business training. The Trustees also respond to projects that aim to ensure basic survival needs are met, and projects aimed at supporting children's educational opportunities.

The twice yearly newsletter keeps supporters informed of the progress of projects. We still hope to develop a website to ensure that up to date information on the activities of the charity will be readily available on-line for the public to access.

The Trustees have been able to keep the operating costs of Friends of Hlekweni to a minimum, so ensuring that a very high percentage of money given by donors reaches the intended recipients. In this reporting year, the need for more Trustee visits has resulted in higher expenditure in this area; however, Trustees have contributed significantly to work at Hlekweni itself, as well as assuring other Trustees about the situation there. We believe this has been money well spent.

Grant-making policy and procedure

The Trustees aim to disburse the monies received as soon as practicable to meet needs through approval of grant applications. The Trustees usually make payment up front on approval of grants.

Grants that fall within the charity's area of work can be applied for at any time, and will be considered at the next Trustees' Meeting. There is a simple standard form for grant applications available from info@friendsofhlekweni.org.uk.

Achievements & Performance



This is the sixth year of our operation as a charity, and the Trustees continued its core work on fundraising, communication with donors, and providing grant support to the work at Hlekweni, Samathonga School and more widely in Matabeleland.

The Trustees have continued to work in partnership with Quaker Peace and Social Witness, notably on the Samathonga School Feeding Scheme – however, having been given notice that these funds would come to an end in 2013 as the legacy which provided the funds is now spent, Trustees focussed fundraising activities on ensuring the continuation of this scheme and more generally on supporting schools at Hlekweni and beyond. A further grant was made to Zimbabwe Food Relief Action, ZFRA, which works in the nearby drought-stricken Kezi District. A small ‘books for schools with no or few books’ scheme has proved successful: individuals have sent out jiffy bags with a few books via either Hlekweni or Quakers in Bulawayo. Two schools in Kezi district now have over 500 books between them, as well as the Hlekweni and Samathonga libraries being supplied with more books. Books are now being earmarked for other schools.

In more detail, support from Friends of Hlekweni has included the following ongoing grants in the past year:

- Samathonga school feeding scheme (funded partly by a grant from Quaker Peace and Social Witness, topped up by Friends of Hlekweni, and taken over by FoH fully from 1 January 2014)
- support for 15 community orphans to attend Samathonga primary school;
- The community playscheme (through donations via Hazel Morris and others);
- Infrastructure and development, including help towards paying off outstanding electricity bills to ZESA;
- Individuals in need, including contributions to the Zimbabwe Secondary School Relief Fund to fund two ex-Samathonga students in secondary school and the grandchildren of a former Hlekweni employee to remain in school;
- Support for other schools in Matabeleland, primarily Mashumba and Ratanyana schools in Kezi District.

In addition, Friends of Hlekweni grants this past year have been made for:

- Payment of the Hlekweni audit fee for 2012;
- Fee support for a third year student at Lupane State University, who had provided six months of unpaid internship at Hlekweni;
- A contribution towards retirement/retrenchment to support the staff development plan agreed by the Board: due to legal complexities and other urgent financial requirements, this was used for general expenditure to keep the centre afloat;
- Travel costs for Trustees working at Hlekweni/undertaking assurance visits (four visits contributing up to c. 5 months’ working time) together with a small pot of discretionary funding for ensuring the work can be undertaken efficiently;
- An allowance for the new Acting Director, following Innocent Moyo's departure, during the period February/March 2014.



Trustees have continued to prioritise communications to FoH supporters, primarily through the newsletter (either sent as e-attachment or hard copy) sent twice a year, and the annual leaflet (in 2013 asking for support for school schemes). These appear to be well-received.

Trustees repeated the successful autumn fundraising drive, first undertaken in 2011, aimed at strengthening the funds available for the Samathonga feeding scheme. This was primarily done through Quaker channels, including an advertisement and leaflet insert in *The Friend*, and a mailing to all meetings (via Friends' House). This resulted in a number of meetings requesting more information, the possibility of a speaker, and inclusion in regular meeting donations. We have received donations from well over 130 Quaker meetings per year in the past two years.

Trustees reported last year 'confidence in good lines of communication with the Board of Hlekweni and the Director', and were pleased that the Director attended Central and Southern Africa YM in April 2013 to meet a wider range of Quakers. However, as the year progressed, we took note of concerns from Quakers in Bulawayo, and of some staff members at Hlekweni that there was less reporting being done to the Hlekweni Board, that staff had not received their full salaries and that the Hlekweni 2012 audit had been delayed. As a result of these concerns we agreed to continue only earmarked (i.e. already committed ongoing) funding, and funding for Trustees to travel to Hlekweni to support capacity building and investigate what might be done to secure Hlekweni's future.

We recognise the record number of trainees at Hlekweni in 2013, due to a grant from Zimbabwe Works, and significant involvement of Hlekweni staff in the relief and outreach work in surrounding rural areas involved in the World Food Programme and AFSC programmes.

We thank all donors – individual, Quaker meeting and Trusts – for their contributions, which have meant that we have been able to continue significant grant funding for Hlekweni and other projects in southern Matabeleland.

Financial Report

a) Property and equipment

The charity owns no properties. Business meetings are held at rooms offered free of charge.

b) Funds

During 2013/2014 the charity's income was £52,234 (2012/13: £65,568) and expenditure was £49,317 (2012/13: £64,223). This represents a reduction in income of about 21%. The reasons for this reduction have been discussed above. About 46% of this income has come from 6 donors, 5 of which are grant-making trusts. We continue to see a steady increase in commitments to regular payments with a total of 36 giving £10,388 (20% of the total).

We have laid down the restricted fund trainee bursary support scheme during 2013 due to the Zimbabwe Works grant, and so only Samathonga support (and some minor grants for



individuals undertaking education) is now restricted.

Most of the expenditure was made towards the major support projects both at Hlekweni (79%), Samathonga school (10%), Zimbabwe Food Relief Action (8%), and some smaller donations to individuals, etc. About 3.5% was spent on publicity & fundraising costs of advertising & printing etc and about 0.1% on trustees expenses.

We have a balance going forward of £37,883 (2011/12: £34,966) of which 93% is unrestricted.

Trustees are confident that the finances of the charity are on a sound footing to meet our current and expected future commitments.

c) Investment Policy

The charity aims to disburse its funding on approval of grant applications and there is no investment account, so there has been no need as yet to agree an ethical investment policy. The current account is held in the Co-operative Bank.

Plans for the future

At the time of writing this report, Trustees are aware that the Board of Hlekweni has agreed that Hlekweni Friends Rural Service Centre should close on 30 June 2014. It is not yet known if a similar organisation will continue the tradition and ethos of training at Hlekweni, and whether or not Friends of Hlekweni will be asked for any grant support in future.

However – we know that the needs remain great. Trustees have agreed to continue the support for Samathonga school and other earmarked/ongling funds for individuals (primarily children in education) until at least the end of 2014. Trustees plan to discuss future activities with supporters and donors and expect to communicate widely about this in 2014.

Trustees value the work of our loyal network of supporters and donors and hope that this support will remain.

David Brown (coopted Trustee), **Ruth Findlay**, **Roger Moore**, **Don Rowe**, **Lee Taylor** (clerk)

This report was agreed by the Trustees, June 2014

info@friendsofhlekweni.org