



The Chesney Trust for Education in Malawi

Annual Report & Financial Statements

For the

Year Ended 31 July 2016

Charity No SC037540

The Chesney Trust for Education in Malawi

Trustees' Annual Report for the year ended 31 July 2016

The Trustees have pleasure in presenting their annual report together with the financial statements and the independent examiner's report for the year ended 31 July 2016.

Name & Address

The Trust's name is The Chesney Trust for Education in Malawi and it may be contacted via the Secretary, Mr. John Dymond, at 44 Dunmore Street, Balfron G63 0TX, telephone: 01360 440377, email: dunmorecot@tiscali.co.uk

Governing Document

The Chesney Trust for Education in Malawi (The Chesney Trust) is a charitable unincorporated association, registered as a Scottish Charity – No SC037540, and the purposes and administration arrangements are set out in our constitution and governance manual.

The Government of Malawi has endorsed the project and as a result the Council for Non-Governmental Organisations in Malawi (CONGOMA) has granted The Chesney Trust Non-Governmental Organisation status.

The Chesney Trust is overseen by a Board of no fewer than five Trustees. The founder of the Trust, Mrs Janet Chesney, is the Honorary Chief Executive. She works as a volunteer in Malawi to provide oversight of all operations and is the key point of contact between Scotland and Malawi.

Charitable Purposes

The purposes of The Chesney Trust, as recorded in the constitution, are:

- a) To advance education of girls in Northern Malawi by means of funding a project to build a secondary school, including a department for girls with hearing impairment and by the funding of bursaries;
- b) To provide health facilities, including antenatal care and improve the infrastructure (roads, water, electricity, and employment opportunities) of the surrounding area for the benefit of the local community.

This is being achieved by the construction of a girls' secondary boarding school in Engcongolweni. The Edinburgh Girls' High School will include facilities for girls with hearing impairment and The Chesney Trust will provide bursaries for orphans to improve access to education. The community in the surrounding rural area will also benefit as we will improve the infrastructure and help to establish health facilities, including ante-natal and child health care.

The Edinburgh Girls' High School is being built in phases, with each of the phases providing teaching facilities, accommodation and staff houses to take one year's intake of pupils.

Recruitment and Appointment of Trustees

Trustees are recruited and appointed in accordance with the Constitution.

Trustees

Mr John Dymond	Chairman and Secretary
Mr Jim Cameron	
Mrs Anne Corrigan	Treasurer
Mr Neil Dawson	
Ms Jennifer Flockhart	
Mr David Kemp	
Mr Duncan Macdonald	
Mr David McLeish	
Mr Bill Richardson	
Mrs Carol Syme	(to November 2015)
Mr Vincent Mzembe	
Dr. Nellie Mbano	(to November 2015)
Mr Hebe Mkamanga	(to November 2015)

The Trustees have expertise in governance of non-statutory and public bodies, senior management, education, accountancy and fundraising. Thorough governance processes have been developed, and The Chesney Trust is a member of the Fundraising Standards Board.

The Chesney Trust funds a separate voluntary organisation in Malawi, The Chesney Trust for Girls' Education in Northern Malawi, otherwise referred to as "The Chesney Trust (Malawi)", which is responsible for building the school. It is that organisation, and not the Scottish charity, that occupies land and the buildings that are in the course of construction.

The Chesney Trust (Malawi) has its own board of trustees:

Mrs Janet Chesney	Secretary
Mr Ken Malema	Fundraising co-ordinator
Mr. Kennedy L. Matundu	Treasurer
Mr William Mbobe	Project director
Mrs Margaret Mdolo	Vice chair
Mrs Ellie Mulaga	
Rev. Henry K. Mvula	
Mr Arnold Shaba	Chair

Donations in kind

The Chesney Trust is indebted to the Mbano family for donating the land, to Inkosana Jere for assisting with processing the land deeds, to a number of

schools and other organisations for items for the school (see under Operations in Malawi, section (d) Shipments below), and to the members of the local community for their continued support.

In Scotland, The Chesney Trust is grateful to Josh Welensky for his continued help and support with the website.

The Trust is proud to work in partnership with The Erskine and Stewart's Melville Schools, Edinburgh and is indebted to the Junior School headmaster, Mr Bryan Lewis, and to the Mary Erskine School Depute Head, Mrs Moule, for their support, encouragement and leadership.

Activities & Achievements

The Chesney Trust is one of many projects building on the historical ties between Scotland and Malawi, the 'Warm Heart of Africa'. The Trust is a genuine partnership aiming to provide education and opportunity for young Malawian girls who would otherwise miss out. Providing education for girls has been shown to be one of the most effective ways to help countries reach their potential. Improving even basic literacy skills helps raise health and wellbeing standards.

In this, the ninth full year that the Trust has been in existence, steady progress has been made, both on the organisational front, in fundraising and operations in Malawi, where the school entered its fourth year of operation in October 2014.

Organisational – The Work of the Trustees

During this year, the Trustees in Scotland have held five meetings. In addition, Trustees keep in regular contact through informal meetings and by email communication.

Opportunities for networking have been taken through meetings of the Scotland-Malawi Partnership and through membership of NIDOS. The work of the Chesney Trust is well known through representation at the Scotland-Malawi Cross Party Group meetings in Holyrood, Edinburgh.

The Chesney Trust website (www.chesneytrust.org) provides information on the Project in Malawi. It has a section on 'how can I help' that outlines not only areas of financial support that are needed but also other resources for the school and human resources to help with the running of the Trust in Scotland.

The following "living documents" are continually updated as the project progresses:

- Governance manual, to ensure due diligence with the project.
- Project Plan
- Strategic Plan
- List of Funding Bodies and Useful Contacts
- Fundraising Plan

In order to seek the highest standards of governance, we follow the five Principles for effectiveness in international development that comprise the NIDOS Effectiveness Tool.

No record has been kept of the total number of hours worked on Trust business, but the Chairman / Secretary works at least two days a week for the Trust and the Honorary Chief Executive works full-time as a volunteer.

Fundraising

The income received during the year was higher than that of the previous year (£23,401 compared to £20,064). Of the total income, £11,975 was raised from fundraising events held by The Mary Erskine & Stewart's Melville Schools. These events included a Dance Show, dress down days at the school, and the Former Pupils' Christmas Fair. Income for the Well Fund totalled £5,285 and sponsorship of students amounted to £1,657.

Other donations amounted to £1,445 including pledged giving at £300. In addition, there were receipts from recoverable Gift Aid and bank interest, which totalled £984. During this year, £27,325 was transferred to Malawi for charitable purposes. Over 60% of this sum was for construction costs, pupil sponsorship, prizes and school equipment (£17,555); the balance covered on-going costs. As a result of this transfer, our total assets at the end of the financial year were £7,587.

Sums raised during the year by The Erskine & Stewart's Melville Schools' Junior School and the Mary Erskine School have been placed in a restricted fund for use solely for the construction of school buildings.

Operations in Malawi

(a) The Edinburgh Girls' High School

In September 2015, we learned that, as in the previous year, all the Form 2 pupils had passed the Malawi Junior Certificate Exams (JCE). This was an excellent result, and a credit to the girls and their teachers.



In October 2015, girls in Forms 1, 2 and 3 moved to Forms 2, 3 and 4 with a new intake to Form 1 to give a roll of 139 boarders.

Red Skirts are worn every day with Mary Erskine kilts reserved for special occasions and when girls are off campus.

The campus is growing and developing:

- Thanks to a \$25,000 grant from the Solon Foundation in January, a Science Block, with separate laboratories for chemistry, physics and biology, has been constructed.



A start has been made on equipping the chemistry laboratory.

- A new kitchen/dining hall is being built with partial funding (£20,000) from the Beit Trust.
- A start has been made on constructing the walls of the 3-bedroom house, for which a foundation had been laid some time ago.
- Solar power has now been installed in the Administration Block. Teachers can now use their laptops and a desktop can be installed for the bursar. Lighting and power points have also been installed in all the classrooms and security lights on the premises



- solar for electricity in hostels and teachers' accommodation

- the water supply was upgraded and now 20,000 litres of water can be pumped per day.

(b) New Library



Teachers preparing lessons

(b) Graduation

In June at this, the school's first graduation, Mrs Gladys Gondwe, Principal Resident Magistrate, Mzuzu High Court gave an inspiring talk to the girls encouraging them to aim high and continue with their education.



Mrs Gondwe with Mrs Chesney and three prize winners.

(c) Visitors

Trustee Neil Dawson had a 3-month visit to the Edinburgh Girls' High School (September-December) where he taught, sat in on classes and gave guidance to the teachers and ran workshops. He was impressed by the pupils' eagerness to do extra prep, rising early in the morning to do so. At a special meeting of Trustees on his return, he noted that:

- Government Inspectors had visited just after the library had been opened. They had been impressed by the library, by the number of girls taking out books, and also by the teacher cover policy that had been adopted so that classes were not cancelled if any teacher was absent for any reason.

- Pupils had added personal touches to the classrooms with a Poetry Tapestry – patterned blocks alternating with plain sections on which they had written poems. It was agreed that Mary Erskine girls should write poems based on the same topics and that a booklet should be produced with the best poems from the two schools.
- He noted that this summer would be the last time the Malawi Junior Certificate of Education examinations would be held. In future, there would just be the final examination in the fourth year.
- Kilts were reserved for special occasions, for example when pupils were representing the school. For everyday use, pupils wear wrap around red skirts.

(d) Shipments

A large shipment was sent out with the Raven Trust from Dundee at the beginning of the year.

The next stage:

The future role of the Trust will be to

- Continue to support the Edinburgh Girls High School through provision of uniforms, sports clothing, writing materials and books.
- Continue to raise funds for capital build.
- Seek additional sponsorship for students.

To this end, the Trust will continue to work closely with the ESMS Schools in future fundraising activities, and in developing the planned link between the Mary Erskine school and EGHS.

In addition,

- Applications will be made for funding for another classroom. This will allow the admission of a further 30 girls in September 2016.
- Further talks will be arranged with the Soroptimists, Rotary Clubs and Church Guilds to raise awareness of the work of The Chesney Trust.
- The website www.chesneytrust.org will be regularly updated.
- An improvement to Trust governance will be sought, by further implementation of the principles of the NIDOS Effectiveness Tool.
- Involvement will be maintained in the Scotland-Malawi Partnership organisation to ensure that best practice of working in Malawi is followed, and with NIDOS to ensure that the Chesney Trust follows their Good Practice Guide.
- Shipments of clothes, books and writing equipment to Malawi will continue using the Raven Trust.

In Malawi:

- Applications will be made for funding for another double classroom block, and additional staff housing.

Funds required:

Our immediate goal is to raise £20,000 to complete the biology laboratory and equip the chemistry laboratory. Donations towards this work are gratefully received via the Secretary, John Dymond.

Reserves Policy

In order to avoid cash flow problems, it is Trust policy to maintain a minimum balance of £1000 above the authorised expenditure for the following period of three months, in case of unexpected cash requirements. This position was maintained this year.

Risk Management

For the school building programme to proceed smoothly, it is essential that the Trust has sufficient funds at each stage of the project, that money is not wasted in Malawi, and that the construction work is up to a high standard and completed within an agreed time. In order to achieve this:-

- i. There will be close contact between the Trustees in Scotland, the Trustees in Malawi and the Honorary Chief Executive with a regular review of the log frame showing the project plan and timeframe of the building programme and the associated costings. The Trust will continue to build up its reserves so that, even if the applications for grants from other Trusts should prove unsuccessful, it can support the building programme for several months ahead.
- ii. There will be strong oversight of the programme in Malawi by trusted individuals. Janet Chesney lives in Malawi and is on site regularly. With a strong team of Malawian Trustees, Janet will ensure that all funds are spent appropriately for the construction and equipping of the school.
- iii. The appointed firm of architects will monitor the construction of the project.

Approved by the Trustees on 26th November 2016 and signed on their behalf by:-



John Dymond
Chairman

Independent Examiner's Report for the Year to 31 July 2016

Independent Examiner's Report to the Trustees of the Chesney Trust for Education in Malawi

I report on the financial statements of The Chesney Trust for Education in Malawi ("the Trust") for the year to 31 July 2016, which are set out on pages 10 to 15.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ("the Act") and the Charities Accounts (Scotland) Regulations 2006 ("the Regulations"). The charity trustees consider that the audit requirement of Regulation 10 (1)(d) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 seeks 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 view given by the accounts.

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

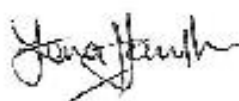
(a) to keep accounting records in accordance with the Regulations, and

(b) to prepare accounts which agree with the accounting records and comply with the Regulations have not been met, or

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

Signed:

Date:



13/12/16

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| 1. Name of Examiner | Mrs Fiona Hamilton LLB (Hons) CA |
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