



**SCHOOLING FOR LIFE FOUNDATION**

**ANNUAL FINANCIAL STATEMENT FOR 2016/2017**

**BUDGET PERIOD: JULY 2016 TO JUNE 2017**



## **SCHOOLING FOR LIFE FOUNDATION**

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## **SCHOOLING FOR LIFE FOUNDATION**

### GENERAL INFORMATION

COUNTRY DIRECTOR: S. RODRIGUES PEREIRA

REGISTERED OFFICE: NO 16 ADELAIDE STREET  
FREETOWN, SIERRA LEONE

BANKER: UNITED BANK FOR AFRICA (UBA)  
CHARLOTTE STREET, HEAD OFFICE  
FREETOWN, SIERRA LEONE



**SCHOOLING FOR LIFE FOUNDATION**  
**REPORT ON THE FINANCE DEPARTMENT**

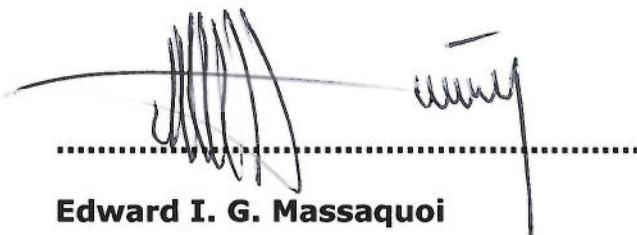
The management takes full responsibility for the integrity and objectivity of the financial information included in these financial statements. The financial statement has been prepared in accordance with the SCHOOLING FOR LIFE accounting standards, and includes management's best estimates and judgement to financial issues that meet the best practices of the organisation.

The Senior Finance Officer is responsible for the preparation of the accounts to give a true and fair view of the state of affairs of the organisation in an on-going basis.

He is also responsible for ensuring that proper accounting policies are instilled and that accounting standards have been followed and applied consistently and to make sound judgements and estimates that are reasonable and prudent.

It is also his responsibility to keep proper accounting records, to safeguard the assets of the organisation and take reasonable steps for the prevention and detection of fraud and other irregularities.

The results of the financial statement show the state of affairs of the organisation during the reporting period.



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**Edward I. G. Massaquoi**

**Senior Finance Officer**

**Schooling for Life**



SCHOOLING FOR LIFE

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

**(Incorporating an income and expenditure account)**

**YEAR ENDED 30<sup>TH</sup> JUNE 2017**

		<b>For the Year Ended</b>	
		<b>30th June 2017</b>	
	<b>Note</b>	<b>SLL</b>	<b>Euro</b>
Income for Activities	1	920 417 043.19	129 744.28
Less Cost of Activities:			
Formal Education	2	124 043 875.00	17 592.38
Skills Training	3	22 250 491.25	3 155.65
Personal Guidance	4	75 349 310.73	10 686.33
Programme Related Activities	5	12 184 174.00	1 728.01
<b>Sub total</b>		<b>233 827 850.98</b>	<b>33 162.37</b>
Less General and Administrative Expenses	6	647 717 304.13	91 861.76
<b>Net Income for the year</b>		<b>38 871 888.08</b>	<b>4 720.15</b>
Less depreciation on FF& E	7	16 680 948.91	2 365.76
<b>Net income after depreciation</b>		<b>22 190 939.17</b>	<b>2 354.39</b>



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## BALANCE SHEET

30<sup>TH</sup> JUNE 2017

		July 2016 to June 2017	July 2016 to June 2017
	Note	Leones	Euro
<b>Fixed Asset</b>			
Motor Vehicle	7	36 324 093.60	5 195.09
Furniture and fittings	8	10 207 500.00	1 459.88
<b>Other Asset</b>			
Computers and Electrical Equipment	9	46 759 649.65	6 687.59
<b>Current Asset</b>			
Cash and Bank	10	24 306 900.77	3 447.30
<b>Total Asset</b>		<b>117 598 144.02</b>	<b>16 789.87</b>
<b>Funds</b>			
Funding Balance	12	86 432 339.50	13 162.63
Net income	13	22 190 939.17	2 354.39
Realized Gain	14	8 974 865.35	1 272.85
<b>Total</b>		<b>117 598 144.02</b>	<b>16 789.87</b>



## **Note to the Financial Statement**

### **ACCOUNTING POLICIES**

The financial statement was prepared according to the generally accepted accounting principles for non-profit institutions and in accordance with Accounting Standard using the policies of consistency in dealing with items which are considered material to the organisation's affairs.

### **HISTORICAL COST CONVENTION**

The financial statement was prepared on the basis of the historical cost convention and does not include the impact of changes in the general purchasing power using the Euro currency on the results of the activities. See financial statements set out on page 5 to 6.

### **ADMINISTRATION**

In 2015, Schooling for Life Sierra Leone, was officially declared a subsidiary to Schooling for Life the Netherlands, being the Head Quarters. The operation of Schooling for Life Head Quarters is separated from Schooling for Life Sierra Leone, therefore the reporting is done separately from then on.

### **Note 1 Income for Activities**

The organisation's income for activities reflects; the liquid and non-liquid funding donated to Schooling for Life Sierra Leone by Schooling for Life the Netherlands, funding received from third parties in Sierra Leone and also the sales of the RAV4 jeep. The income for activities in the financial statement is calculated using and exchange rate of Le 7,051, which is based on annual average rate. The cash and bank balances brought forward for 2015/2016 also added to our total income for 2016/2017.



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<b>Donor Funding</b>	<b>SLL</b>	<b>Euro</b>
Liquid Funding from SfL NL	348 600 000.00	€ 49 000.00
Non- Liquid Funding SfL NL	397 115 211.50	€ 56 822.30
Income received from third parties in SL	70 474 000.00	€9 068.79
June 2015 to July 2016 cash at hand in Euros		
Balance b/f	13 600 000.00	€2 000.00
June 2015 to July 2016 FR Balance b/f	90 627 831.69	€12 853.19
<b>Sub total</b>	<b>920 417 043.19</b>	<b>€ 129 744.28</b>

### **Note to note 1**

The income for activities in the financial statement is calculated using an average exchange rate of Le 7,015. The organisation received 97% of its funding in Euros from the Netherlands and 3% in Leones in Sierra Leone. The organisation is using the prudent concept in relation to income received by the organisation.

### **Note 2 Skills Training**

For skills classes, Schooling for Life hires national trainers on consultancy basis for either a full school year or a semester to train on a specific topic and prepare the students for the job market as much as possible. The trainers will function as role models and, as such, motivate the students to reach their goals. The combination of professional knowledge gained through formal education, and social and practical skills gained through the Schooling for Life skills training programme gives the students the skills to implement theory into practice.

### **Note 3 Formal Educational**

The organisation enrolls students into various tertiary vocational institutions after conducting due diligence on institutes that are in line with what the students want to study. The organisation carries the full financial load of application and registration cost for the students, as well as other cost throughout the academic year.

### **Note 4 Personal Guidance**

Personal guidance is given to each individual student, 45 minutes per two weeks. Students are guided in developing and achieving personal development goals. These goals are developed and achieved throughout the academic year. Students are also assisted and stimulated in how to solve problems that occur throughout their studies and personal lives. The aimed end result is to ensure





students have learned to develop and work towards archiving their own goals and therefore leave the programme with high self-esteem and confidence.

## Note 5

### Administrative and General Expenses

For the year Ended 30th June 2017

	SLL	Euro
Marketing expenses	15 727 472.70	2 230.53
Salary fee and benefits	328 100 891.37	46 532.53
Bank and finance charges	2 193 168.30	311.04
Transport	40 848 104.00	5 793.24
Communication and courier Services	15 718 486.16	2 229.26
Utilities	8 087 500.00	1 147.00
Repairs and maintenance	16 413 128.60	2 327.77
Computer and office supplies	38 792 311.00	5 501.68
Leases and rentals	144 150 550.00	20 443.99
Licenses fee and permits	4 400 000.00	624.02
Food and beverages	984 500.00	139.63
Miscellaneous	2 952 500.00	418.73
Fundraising cost	29 348 692.00	4 162.34
<b>TOTAL</b>	<b>647 717 304.13</b>	<b>91 861.76</b>

Note to Note 5: the consolidated expense report in the financial statement was calculated using an average exchange rate of Le 7,051 for the Euro.

### Note 6 - 9 Fixed and other Assets

The fixed assets are shown at cost less accumulated depreciation. The depreciation was calculated according to the estimated length of use of the assets and at the following rate



### **Asset Depreciation Percentage**

	<b>Depreciation %</b>	<b>Year of Assessment</b>
Computer and electrical equipment	7%	Year 1
	14%	Year 2
	21%	Year 3
Motor Vehicle	10%	Year 1
Office furniture and equipment	5%	Year 1
	10%	Year 2
	15%	Year 3



## Asset

Description	Qty	Unit Cost	Cost Value	Depr. FRS 2014/2015	Depr. FRS 2015/2016	Depr. FRS 2016/2017	Total Depreciation	NBV
<b>Motor Vehicle</b>								
Toyota Rav 4 Jeep	1	40 360 104.00	40 360 104.00	-	-	4 036 010.40	4 036 010.40	36 324 093.60
<b>Computers and Equipment</b>								
Laptop Computer for Staff	2	1 500 000.00	3 000 000.00	210 000.00	420 000.00	630 000.00	1 260 000.00	1 740 000.00
Laptop Computer for Staff	1	1 155 288.16	1 155 288.16	-	80 870.17	161 740.34	242 610.51	912 677.65
Laptop Computer for Staff	1	2 061 800.00	2 061 800.00	-	144 326.00	288 652.00	432 978.00	1 628 822.00
Laptop Computer for Students	3	1 500 000.00	4 500 000.00	-	315 000.00	630 000.00	945 000.00	3 555 000.00
Laptop Computer for Students	5	1 500 000.00	7 500 000.00	-	49 000.00	525 000.00	525 000.00	6 975 000.00
Laptop Computer for Students	1	700 000.00	700 000.00	-	-	70 000.00	147 000.00	553 000.00
Desk top Computer	1	1 000 000.00	1 000 000.00	56 000.00	112 000.00	168 000.00	336 000.00	930 000.00
Printer	1	800 000.00	800 000.00	-	-	168 000.00	336 000.00	464 000.00
Photocopying and Printing Machine	1	28 000 000.00	28 000 000.00	-	1 960 000.00	3 920 000.00	5 880 000.00	22 120 000.00
Generator	1	7 475 000.00	7 475 000.00	-	523 250.00	1 046 500.00	1 569 750.00	5 905 250.00
UPS Machine	1	550 000.00	550 000.00	-	38 500.00	77 000.00	115 500.00	434 500.00
Standing fan	3	230 000.00	690 000.00	-	48 300.00	32 200.00	80 500.00	609 500.00
Water Dispenser	1	850 000.00	850 000.00	-	59 500.00	119 000.00	178 500.00	671 500.00
Standing fan	1	280 000.00	280 000.00	-	-	19 600.00	19 600.00	260 400.00
<b>Sub total</b>			<b>58 562 088.16</b>				<b>11 802 438.51</b>	<b>46 759 649.65</b>
<b>Furniture and fitting</b>								
Wooden table	5	500 000.00	2 500 000.00	-	125 000.00	250 000.00	125 000.00	2 375 000.00
Swivel chairs	8	300 000.00	2 400 000.00	-	120 000.00	240 000.00	120 000.00	2 280 000.00
Conference table and 8 chairs	1	2 500 000.00	2 500 000.00	-	125 000.00	250 000.00	125 000.00	2 375 000.00
Shelves (Book case)	3	800 000.00	2 400 000.00	120 000.00	240 000.00	360 000.00	360 000.00	2 040 000.00
Small whiteboard	3	250 000.00	750 000.00	-	37 500.00	75 000.00	37 500.00	712 500.00
Big whiteboard	1	500 000.00	500 000.00	25 000.00	50 000.00	75 000.00	75 000.00	425 000.00
<b>Sub total</b>			<b>11 050 000.00</b>				<b>842 500.00</b>	<b>10 207 500.00</b>
<b>Sub total</b>			<b>109 972 192.16</b>				<b>16 680 948.91</b>	<b>93 291 243.25</b>

Financial Statement for 2016/2017



### **Note 10 Cash at Bank**

The organisation considers donations of funds to be highly liquid, including short term bank deposits (up to three months from the date of deposit) that are not restricted to withdrawal or use.

<b>Cash Equivalents</b>	<b>As of 30th June 2017</b>	
	<b>Le</b>	<b>Euro</b>
Cash at bank - Euro	8 351 944.00	1 194.50
Cash at bank - SLL	13 748 906.27	1 966.38
Cash in hand	2 135 575.00	305.43
<b>Total</b>	<b>24 236 425.27</b>	<b>3 466.31</b>

Note to note 10: Our cash equivalent stated above was calculated using an average exchange rate of Le 7,015.

### **Note 12 Funding Balance**

Funding balance is the difference between assets and liabilities, in essence what would be left if the assets were used to satisfy the liabilities.

The financial statement is reporting on reserved funding balance because it is related to resources that cannot be spent, like inventory.

### **Note 13 Net Income**

The total net income is the total income received for the reporting period minus the total expenditure minus the total depreciation value of the organisation's assets for the indicated period. Schooling for Life's financial period runs from the 1<sup>st</sup> of July 2016 to the 30<sup>th</sup> of June 2017.



#### **Note 14 Realized Gains**

The organisation realized gain from the exchange of foreign currency to the Leones using the black market rate instead of the bank rate. Due to strong fluctuation in exchange rates as well as strong differences between the black market and bank rates, the organisation was forced to use black market rates in order not to lose large amounts of funding and ended up realising a total gain of Le 8,974,865.35 (€1,272.85) over the reporting period. The first three exchanges through the bank during this reporting period ended up in an accumulated loss of Le 9,900,000 (€1,404.05); this was documented in the financial report. The exchanges thereafter were therefor decided to be done through the black market and the difference in the exchange rate ended up realising a total gain of Le 8,974,865.35 (€1,272.85).