



SCHOOLING FOR LIFE Ltd.

ANNUAL FINANCIAL STATEMENT FOR 2017/2018

BUDGET PERIOD: JULY 2017 TO JUNE 2018

SCHOOLING FOR LIFE Ltd.

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SCHOOLING FOR LIFE Ltd.

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 Ltd.

REPORT ON THE FINANCE DEPARTMENT

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

He is responsible for ensuring that suitable 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.

Senior Finance Officer

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Edward I. G. Massaquoi

STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES

(Incorporating the income and expenditure accounts)

YEAR ENDED 30TH JUNE 2018

Receipt	Notes	Leones	Euro
Donor Funding	1	1 036 436 235.27	132 030.09
Other Income	2	7 383 337.03	940.55
Total Income		1 043 819 572.30	132 970.65
Less Expenses			
Formal Education	3	64 337 000.00	8 195.80
Skills Training	4	15 380 250.00	1 959.27
Personal Guidance	5	87 005 606.06	11 083.52
Programme Related Activities	6	18 102 272.00	2 306.02
Student Selection Process	7	4 216 000.00	537.07
Admin and General Expenses	8	740 552 918.89	94 337.95
Depreciation	9	53 069 342.21	6 760.43
Asset written off	10	1 490 611.60	189.89
Total expenses		984 154 000.76	125 369.94
Surplus		59 665 571.54	7 600.71

Note to Consolidated report:
Within Administrative and General Expenses; 74% are Programme related cost and 26% is Overhead. Further specified in Note 8.

STATEMENT OF FINANCIAL POSITION**30TH JUNE 2018**

	Note	Cost	Depreciation	NBV (Leones)	Euros
Non- Current Asset:					
Furniture and Fittings	11	16 660 000.00	13 553 566.20	3 106 433.80	395.72
Equipment	12	38 755 128.00	22 222 051.20	16 533 076.80	2 106.12
Computers	13	31 707 679.76	26 252 898.92	5 454 780.84	694.88
Plant	14	7 475 000.00	4 784 000.00	2 691 000.00	342.80
Motor vehicle	15	40 360 104.00	25 830 466.56	14 529 637.44	1 850.91
<hr/>					
Total Non-Current Asset		<u>134 957 911.76</u>	<u>92 642 982.88</u>	42 314 928.88	5 390.44
<hr/>					
Current Asset:					
Cash and bank balances	16			59 552 931.90	7 586.36
Receivables	17			14 062 500.00	1 791.40
<hr/>					
Total Asset				<u>115 930 360.78</u>	<u>14 768.20</u>
<hr/>					
Funds:					
Surplus	18			59 665 571.54	7 600.71
<hr/>					
				59 665 571.54	7 600.71
<hr/>					
Current Liabilities					
Other payables	19			56 264 789.23	7 167.49
<hr/>					
Total funding and liabilities				<u>115 930 360.77</u>	<u>14 768.20</u>

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 the 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.

ADMINISTRATIVE REPORT

In 2017, Schooling for Life the Netherlands became the funding partner of Schooling for Life Ltd. in Sierra Leone. All affairs of the separate entities are therefore separated.

Note 1 Donor Funding

Our organisation's income for activities reflects the direct and indirect funding donated to Schooling for Life.

Donor Funding	SLL	Euro
Direct Funding from SfL NL	682 950 000.00	€ 87 000.00
Indirect Funding SfL NL	260 112 262.00	€ 33 135.32
Funding from third party in SL	3 504 200.00	€ 446.39
Exchange gain	65 633 348.00	€ 8 360.94
Total Funding	1 012 199 810.00	128 942.65
Bal b/f Bank and cash balance as at 30th June 2017	24 236 425.27	3 087.44
TOTAL	1 036 436 235.27	132 030.09

Note to note 1 and 2.

The income for activities in the financial statement is calculated on daily exchange rates. Therefore, the total of income in Leones is not equal to the general exchange rate of Le 7,850 used but an accumulation of daily exchange rates. Our organisation received 97% of its funding in Euros from the Netherlands and 3% in Leones in Sierra Leone. Due to the average exchange rate used throughout the financial report plus the salary exchange gain in Euros sum up to the difference in exchange gain in the trial balance as well as other income in the financial activities.

Note: 3 to 7**Formal and Informal Educational Activities for June 30th 2018**

	SLL	Euro
Formal Education	64 337 000.00	8 195.80
Skills Training	15 380 250.00	1 959.27
Personal Guidance Programme Related Activities	87 005 606.06	11 083.52
Student Selection Process	18 102 272.00	2 306.02
	4 216 000.00	537.07
TOTAL	189 041 128.06	24 081.67

Note to Note 3. Formal Educational

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

Note to Note 4. Skills Training

Our organisation hires national trainers on consultancy basis for either a full academic year or a semester of skills classes on a specific topic, to offer the students as much information from different backgrounds as possible. They 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 gives the students the skills to implement theory into practice.

Note to Note 5. Personal Guidance

The personal guidance is given to each individual student, 45 min. per two weeks. Students are guided in developing personal development goals. These goals are developed and achieved throughout the academic year. Students are also assisted and stimulated to tackle problems that occur throughout their studies. The aimed result is that students have learned to develop and obtain their own goals and therefore leave the programme with higher self-esteem and confidence.

Note to Note 6. Programme Related Activities

The programme related activities cover various activities that focus on broadening the knowledge horizons of our students, either in a formal or an informal manner. This academic year this has been done in the following ways: Outreach by the students and training for the outreach, End of year Christmas activity and the Ramadan dinner.

Our students were also given the opportunity to visit the Sierra Leone National museum, the Peace Museum at the Special court, as well as Fresh Salone.

Note to Note 7. Student Selection Process

In February, Schooling for Life opened the application process to new students for the academic year 2018/2019, to recruit new students into the Skills for a Successful Future programme. The full recruitment process covers the application process, outreach, the full selection process (include, interviews and assessments), the due diligence on academic institutes and inauguration

Note: 8

Administrative and General Expenses

For the year Ended 30th June 2018

	SLL	Euro
Marketing expenses	29 263 407.78	3 727.82
Salary fee and benefits	428 752 163.75	58 870.46
75% Programme cost		
25% Overhead		
Legal and Service fees plus medical	48 744 500.00	6 209.49
Bank and finance charges	6 670 833.91	849.79
Transport	2 016 744.00	256.91
Communication Services	26 963 364.97	3 434.82
75% Programme Cost		
25% Overhead		
Utilities	9 397 000.00	1 197.07
Repairs and maintenance	18 964 092.48	2 415.81
Insurance	180 000.00	22.93
Computer and office supplies	22 460 325.00	2 861.19
Leases and rentals	88 462 500.00	19 870.70
23% Programme Cost		
77% Overhead		
Licenses fee and permits	23 495 762.00	2 993.09
Food and beverages	937 000.00	119.36
Miscellaneous	1 035 000.00	131.85
Fundraising cost	32 894 325.00	4 217.22
Volunteer Support NL	315 900.00	40.24

TOTAL

740 552 918.89

107 218.75

Note to Note 8: the consolidated expense report on the financial statement was calculated using an average exchange rate of Le 7,850 for the Euro balance.

Note 9 -10. Property Plant and Equipment

The assets are shown at cost less accumulated depreciation using the reducing balancing method. The depreciation was calculated according to the estimated length of use of the assets and at the following rate:

- | | | |
|--------------------------|--------|-------|
| • Motor Vehicle | 5years | 20% |
| • Computer | 3years | 33.3% |
| • Plant | 5years | 20% |
| • Equipment | 5years | 20% |
| • Furniture and Fittings | 3years | 33.3% |

The organisation used a reducing balancing method to calculate the depreciation value of its assets as stated above. We used the reducing balancing method over the estimated useful lifespan, as reflected in the income and expenditure report. At the end of the financial reporting period, we realized that some of our assets, like furniture and fittings, we are the end of their lifespan and they have therefore been written off

Note 11 to 15

	30-Jun-18					
	33.3%	20%	33.3%	20%	20%	
	Furniture & Fittings	Equipment	Computer	Plant	Motor Vehicle	Total
Costs						
Balance as 1 July 2016						
Acquisitions						
Disposal						
Balance as 30th June 2017	11 050 000.00	28 000 000.00	23 087 088.00	7 475 000.00	40 360 104.00	109 972 192.00
Balance as 1 July 2017	11 050 000.00	28 000 000.00	23 087 088.00	7 475 000.00	40 360 104.00	109 972 192.00
Acquisitions	5 610 000.00	10 755 128.00	7 129 980.16	-	-	23 495 108.16
Write-ff			-1 490 611.60	-	-	-1 490 611.60
Balance as 30th June 2018	16 660 000.00	38 755 128.00	31 707 679.76	7 475 000.00	40 360 104.00	131 976 688.56
Depreciation						
Balance as 1 July 2016						
Charge for the year						
Disposal						
Balance as 30th June 2017	7 359 300.00	11 200 000.00	15 376 000.61	2 990 000.00	16 144 041.60	53 069 342.21
Balance as 1 July 2017	7 359 300.00	11 200 000.00	15 376 000.61	2 990 000.00	16 144 041.60	53 069 342.21
Charge for the year	6 194 266.20	11 022 051.20	10 876 898.32	1 794 000.00	9 686 424.96	39 573 640.68
Disposal						
Balance as 30th June 2018	13 553 566.20	22 222 051.20	26 252 898.92	4 784 000.00	25 830 466.56	92 642 982.88
Carrying amount						
At 30th June 2017	3 690 700.00	16 800 000.00	7 711 087.39	4 485 000.00	24 216 062.40	56 902 849.79
At 1 July 2017	3 690 700.00	16 800 000.00	7 711 087.39	4 485 000.00	24 216 062.40	56 902 849.79
At 30th June 2018	3 106 433.80	16 533 076.80	5 454 780.84	2 691 000.00	14 529 637.44	39 333 705.68

Note 16. Cash and Bank Balance

The organisation considers donation 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, to be cash equivalents.

Cash Equivalents	As of 30th June 2018	
	Le	Euro
Cash at bank -Euro	1 475 800.00	188.00
Cash at bank- SLL	48 072 256.90	6 123.85
Cash in hand	687 375.00	87.56
Cash in hand- Dollar	682 500.00	86.94
Cash in hand- Euro	8 635 000.00	1 100.00
Total	59 552 931.90	7 586.36

Note to note 16: The organisation's closing cash and bank statement for the period under review on the Euro account was calculated using an average exchange rate of Le 7,850.

Note 17. Receivables

The organisation recorded account receivables as asset on the balance sheet due to the payment of office and residential rent. Office rent is due in the month of October, which is three months after the start of our budget period, and will therefore run into the next budget year for the same period. The three months in advance is considered to be a receivable. The residential rent is paid in June as an advance payment for six months, ending in December, and therefore has the same result.

Note 18. Surplus

Our organisation considered surplus of income over expenditure based upon the total funding received and the expenses incurred for the period under review.

Note 19. Payables

The organisation recorded payables as liability on the balance sheet as money owed or outstanding payments.

TV show covered in The Netherlands

Schooling for Life participated in a tv show in the Netherlands with the objective of increasing reach. The participation was fully covered by allocated funds additional to the budget funding.

SCHOOLING FOR LIFE TRIAL BALANCE FOR 2017/2018		
Account	Debit	Credit
Total Funding		1 012 199 810.00
Bal b/f Cash and bank balance for 30th June 2017		24 236 425.27
Receivable account -Office Rent	14 062 500.00	
Payable account -House Rent		53 460 000.00
Payable account- Post -paid and internet service bills		2 804 789.23
Differences in exchange gain		7 383 337.03
Marketing expenses	29 263 407.78	
Salary fee and benefits	428 752 163.75	
Lagal and Service fee plus medical	48 744 500.00	
Bank and finance charges	6 670 833.91	
Transport	2 016 744.00	
Communication and courier Services	26 963 364.97	
Utilities	9 397 000.00	
Repairs and maintenance	18 964 092.48	
Insurance	180 000.00	
Computer and office supplies	22 460 325.00	
Leases and rentals	88 462 500.00	
Licenses fee and permits	23 495 762.00	
Food and beverages	937 000.00	
Miscellaneous	1 035 000.00	
Fundraising cost	32 894 325.00	
Development Expenses -NL	315 900.00	
Formal Education	64 337 000.00	
Skills Training	15 380 250.00	
Personal Guidance	87 005 606.06	
Programme Related Activities	18 102 272.00	
Student selection process	4 216 000.00	
Cash and bank balances	59 552 931.90	
Motor Vehicle	40 360 104.00	
Depreciation on motor vehicle	16 144 041.60	
Accumulated depreciation for Motor Vehicle		25 830 466.56
Computers	31 707 679.76	
Depreciation on computers	15 376 000.61	
Accumulated depreciation on computers		26 252 898.92
Furniture and fitting	16 660 000.00	
Depreciation on furniture and fitting	7 359 300.00	
Accumulated depreciation on Furniture and fitting		13 553 566.20
Equipment	38 755 128.00	
Depreciation on Equipment	11 200 000.00	
Accumulated depreciation on Equipment		22 222 051.20
Plant	7 475 000.00	
Depreciation on Plant	2 990 000.00	
Accumulated depreciation on Plant		4 784 000.00
Asset written off	1 490 611.60	
	1 192 727 344.42	1 192 727 344.41