

## **Osiligi Charity Projects**

Registered Charity Number 1135331

Trustees' report and accounts  
For the year to 31<sup>st</sup> December 2011



Osiligi Obaya School. Built during 2011, opened in January 2012



Letter from a founder trustee:



At Osiligi Charity Projects, it has been an exciting year. Our supporters have improved the lives of countless people. Many Maasai are walking miles less per day to get clean water. Many homes now have smoke-free, safe and efficient solar lamps to replace the dim, harmful kerosene lamps. Fourteen children continue to receive an education thanks to their UK sponsors and one has now graduated to secondary school. And the main event is the building of a 6 classroom Primary school.

This primary school is different to other rural schools. It has excellent, fully qualified teachers (we had to build teachers' houses to attract them), electricity, water and plenty of teaching aids. These are all things we take for granted in the UK and the West but although available in the private schools of Nairobi, are rare in the rural areas. Most schools here are little more than a tin shed lacking electricity, lights, water and books.

It may take 15 years for our children to become fully qualified doctors, nurses and engineers who return to help their people, but once they do, they will banish the extreme poverty and hardship in the area. The primary school is the first step on this path. Without this school, the rest is not possible. The education of children is the catalyst for positive change in this area and the whole of Kenya.

The charity's activities are not possible without the help and support of the many donors, volunteers and people who invest their time, money and encouragement in what we do. We are ever mindful that the communities' needs will outstrip our resources of time and money and we prioritise accordingly.

Thank you everyone for your support

**Roger Pannell**

## **Osiligi Charity Projects**

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For the year ended 31<sup>st</sup> Dec 2011

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## 1. Introduction

Osiligi Charity Projects, works in the predominately Maasai lands of Olepolos, about 25 miles SW of Nairobi. This is rural Kenya where there are few facilities. Sources of clean water are rare and expensive and any schools, where they exist, are very poor quality.

The charity began operations in March 2010. This is the second year of operation, and the first full year. During 2011, the charity has:

Sponsored 13 children to attend primary school. These children are all from poor or extremely poor backgrounds, who otherwise would not have attended school.

Sponsored 1 child to attend secondary school

Continued with the provision of free clean water.

Built a 6 classroom primary school with kitchen and dining room and 4 teachers' houses. The first 60 children started attending lessons at the school in January 2012 (see next year's report for more details). The aim is to make this school a centre of excellence, where through the education of the area's children, the whole area can eventually be lifted out of poverty.

Supported a women's group. The charity made an interest free loan to a women's group to further their provision of micro – finance loans.

Built a church and community centre.

The charity was set-up following the work that John Curtin has been doing since 2004 bringing a group of Maasai Warrior performers to the UK yearly.

The charity produces a quarterly newsletter detailing all the current activities. This is available for download from Osiligi's website [www.osiligi.org](http://www.osiligi.org). More information on the school is available from the school's website [www.osiligiobaya.com](http://www.osiligiobaya.com)

One of the key principles of the charity is that every penny donated goes to support the projects in Kenya. Any running costs of the charity and all expenses are paid for by the trustees or the individual incurring the expense. This governing principle has been adhered to in 2011.

A second governing principle is that all projects should be for the long term and sustainable. Every investment must be effective long term.

## **2. Legal and Administrative Details:**

### Trust Deed

The charity is governed by the charitable trust deed of 1<sup>st</sup> March 2010

### Charity Registration

The trust was registered with the charity commission on 31<sup>st</sup> March 2010 under registration number 1135331

### Registered Address:

Elwell House  
West Buckland  
Barnstaple  
Devon  
England  
EX32 0SW

Website [www.osiligi.org](http://www.osiligi.org)

Email [info@osiligi.org](mailto:info@osiligi.org)

Phone +44 (0)1598 760289

### Bank Accounts:

UK – Co-operative Bank,  
P.O. Box 250,  
Delf House,  
Southway,  
Skelmersdale,  
WN8 6WT

### Kenya – Barclays Bank Ong'ata Rongai Branch

Barclays Plaza  
PO Box 30120-00100  
Loita Street  
Nairobi  
Kenya

### Independent Examiner:

Mark Birchall FCCA MBA  
Gandalf Springs  
30 Aveley Way  
Maldon Essex  
CM9 6YQ

### **3. Trustees, governance and management**

Charity Information

During 2011, the trustees were:

Mrs Helen Pannell B.Ed (secretary)  
Mr John Curtin  
Mr Jim Wilkie  
Mr Roger Pannell MSc C Eng MIET (chair)

All the above trustees were appointed on the 1<sup>st</sup> March 2010.

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other rewards or other financial benefits. The trustees do not charge for any expenses incurred.

Trustee selection methods

The trustees are responsible for selecting new trustees, subject to the provisions given in the charity trust document. All trustees are required to resign in rotation, the first required resignation is in 2012. No trustee resigned during 2011.

During 2011, two of the trustees visited the Maasai area of Olepolos on four occasions, the costs for these trips being paid for by the trustees.

### **4. Objectives and activities**

The objects of Osiligi Charity Projects are to apply all the income for exclusively charitable purposes for the prevention of poverty amongst the Maasai areas of East Africa, having regard to the guidance issued by the Charity Commission on public benefit and the charity object clauses set out in the trust document.

To this end, in the year to 31<sup>st</sup> December 2011, the trustees have applied funds for the provision of clean water, the education of children, the building of a new school, the building of a church, setting up a solar light hire facility and for micro-finance to a women's group. All of these funds have been applied in and around the Maasai area of Olepolos, in Kenya, about 30 miles SW of Nairobi.

Any income not so used in this accounting year has been held on reserve for use on the charitable objectives in subsequent years.

## **5. Operational review**

### **School**

The main project during 2011 has been the building of a new Primary school, the Osiligi Obaya School. The preliminary work started during 2010. The actual building work started in May 2011 and by the end of the year, about 70% of the building work was completed. The new school opened as planned in January 2012.

Originally, the school was to be built on 5 acres of land (the minimum required for a school) donated by 2 Maasai donors. Early in 2011, it was realised that the land title deed of one of the donors was held by a bank as collateral against a loan. To release the title deed, the charity made a £1652 loan to the donor, with repayment over 2 years. Unfortunately, once the loan was made, the donor decided he no longer wanted to donate the land to the school. A Kenyan solicitor is currently pursuing recovery of this debt.

The other donor then offered to lease the entire 5 acres of land to the school at a peppercorn rent. A rental agreement was drawn up, architectural drawings re-drawn (the land is now a different shape) and the building work started.

The school is not owned by the charity. It is owned by a Kenyan not for profit company set up to hold and operate the school on a not for profit basis. All the directors of this company are unpaid. They are all Maasai, from the area.

Numerous donors helped in financing the costs of building the school. In particular, we would like to thank the Mumme-Ackford Charitable Trust and the Allan & Nesta Ferguson CT for their kind donations.

### **Clean Water**

Late 2010, work was started on converting a dirty water hole fed by a spring into a clean water source. This was completed during 2011. Unfortunately, during the dry season, there was insufficient water to give both clean drinking water for humans and water for the cattle. Presently, the source has reverted back to a pool for the animals. The charity is looking for a solution to rectify the situation.

The well fitted with a hand pump in 2010 is continuing to produce a reliable source of clean water. It is little used during the wet season when other sources are available but during the dry season when these other sources dry up, it is heavily used with people coming up to 15 miles to collect water.

Provision of clean water continues to be a major aim for the charity. During 2012 new projects are being commenced.

### **Church & Community Centre**

The charity is secular. Prior to this year, the community had been using a small tin hut as a church. Early 2011, the charity was asked if it could raise funds for the building of a church. Apart from religious ceremonies, the church would also be used as a community centre during the week. The charity found a donor and this money, along with the gift aid on the donation, was used to build the church.

Work was started in February 2011 and the work finished in May 2011. The money available was not sufficient to completely finish the inside of the church. The church has been in use since May and the community has continued fund raising in order to finish the inside.



The church & community centre

### **Micro-finance**

Following the success of micro-finance in many developing countries, the trustees wished to support micro-finance schemes in the area. We were therefore delighted to find that such a scheme had been set up by a women's initiative. To support this initiative by increasing the capital base, last year the charity made a 2-year interest free loan to the women's group of 50,000KSH (£430). This year, we have made a further loan of a similar amount. The money is used for small business loans for say purchasing material for bead making or a water butt for vegetable growing.

### **Solar lights**

In 2011 the women's group (mentioned above) started selling solar lamps to the community. Previously, people's huts were lit by kerosene lamps. Kerosene lamps, although cheap to buy, produce harmful fumes and give a poor light unsuitable for children's homework. Solar lamps are essentially free to run, clean and give a much better light. However, they are expensive to buy (about £15). Following a donation of £1000, the charity has set up solar lamp rental businesses to allow access to lamps by the poorest people. These businesses are renting the lamps for about 7p per day, about half the daily



price of kerosene. Through this initiative, three people have businesses and the community have clean, good light at approximately half the cost of kerosene.

### **Child sponsorship**

At the end of 2011, the charity sponsored 13 children to attend Maasai Plains school and one boy to attend secondary school. Some were orphans; many were from single parent families. All these 14 children were from poor or very poor families.

In readiness for the Osiligi Obaya school opening in 2012, a further 40 sponsors were lined up to start sponsoring the 2 new classes in January 2012.

Sponsorship makes a huge difference to the children. There are 'free' government schools in the area, but the various extra charges make the cost of these schools almost the same cost as Osiligi Obaya, Maasai Plains or other private schools. A typical government school has class sizes of around 60-80 children. Results are usually poor. Private schools are the norm in Kenya and even the poorest people prefer to send their children to fee paying schools. Sponsorship probably makes the greatest difference to girls. Without sponsorship, they are often married off at a young age in exchange for cows and goats. With sponsorship, they usually complete schooling, by which age they have more control over their own future.

## **6. Administration and fund raising**

The Charity has a website and facebook page. See:

[www.osiligi.org](http://www.osiligi.org)

[www.facebook.com/osiligi](http://www.facebook.com/osiligi)

[www.osiligiobaya.com](http://www.osiligiobaya.com) (the website for the Kenyan school)

Quarterly, a trustee produces a newsletter. This is posted to the website and emailed to interested (and some uninterested) parties.

To enable donation by credit and debit cards, the charity uses Virgin Money Giving (VMG). The VMG website also allows people to publicise and collect money through fund raising events. VMG makes a 3.5% charge from money collected in transaction costs and card fees. This 3.5% reduces the money we receive from donors. During 2011, £1628 was collected through VMG, including reclaimed gift aid.

The charity signed up with Mission Fish to allow people to donate through ebay. During 2011, £159 was raised by this route.

The Maasai Warrior performers visited the UK in September and October. The UK tours of the Warriors are separate from the Charity but are administered by two of the Charity's trustees, John Curtin and Jim Wilkie, as a commercial

venture. Although the tours are separate from the Charity, they do give the Charity a publicity boost and an increase in revenue. Many of the new sponsors ready for the 2012 school opening were from the audience of these tours.

## **7. Operational Costs**

In the UK, the Charity runs from the home office of two of the trustees, Helen & Roger Pannell at the registered address for the charity.

This office is the centre for all the administration, fund raising and project origination and control. All services are freely given and the personal expenses incurred in the administration of the Charity, from flights and visa cost, living and travel expenses in Kenya, internet and telephone fees, set-up credit card fees to postage stamps are paid for by the trustees. The only UK running costs of the charity not paid for by the trustees are bank charges including the credit card fees charged by VMG.

In Kenya, projects are administered by Richard Minisa. To cover the cost of miscellaneous expenses incurred, he is paid 3000KSh per month (approx £24). Any large expenses are paid in addition to this. His time is freely given.

By the end of 2011, the charity sponsored 14 children to attend school. Peninah Minisa selects these children (to a charity brief) and monitors the children on a day to day basis. For these 14 children she is paid a salary of 100KSh (85p) per child per month.

## **8. Financial Review**

Total income for 2011 was £191,617, with £25,105 being restricted funds and £166,512 being unrestricted. Most of the restricted funds were for the building of the church. The majority of the unrestricted funds have been used on building the new school.

In any funded project, the object is to exactly match funds received with money spent. Money is usually received in UK pounds and spent in Kenyan Shillings. Depending on the exchange rates during the project and on any cost differences between estimates costs and actual costs, there can be a slight over or under funding of the project. Any small difference is taken from or added to the general charity funding. In the case of the church, the total cost was £242,950, with £241,050 coming from the donor including gift aid and £1,900 from the charity general funds.

A total of £27,231 was received in gift aid plus about £362 in reclaimed gift aid via Virgin Money Giving.

£166,088 was spent on building the new school. Including the £5,284 spent on the school in 2010, the total expenditure is now £171,372. This £171K has been used on the building of 6 classrooms, 2 toilet blocks, a kitchen, dining

room, 4 teachers' houses, 2 septic tanks, water storage and solar electric systems.

Child sponsorship payments totalled £2252, mainly for school fees although some of the poorest students were helped with school uniform costs. Income for sponsorship was £3734. The difference between income and expenditure was because many of the new sponsors paid for the year's sponsor costs at the end of 2011.

During 2011, expenses and wages for Peninah and Richard Minisa, as detailed in section 7, totalled £204.

## 9. Accounts for 1<sup>st</sup> March – 31<sup>st</sup> December 2011

Prepared under a receipts and payments basis:

### Receipts

	Unrestricted	Restricted	Total
General fundraising	£140,729		£140,729
Church build donation		£18832	£18,832
Child Sponsorship	£3734		£3,734
Solar lights		£1,000	£1,000
Gift Aid	£21,958	£5273	£27,231
Interest	£91		£91
<b>Total</b>	<b>£166,512</b>	<b>£25,105</b>	<b>£191,617</b>

### Payments

	Unrestricted	Restricted	Total
New school costs	£166,088		£166,088
Church	£190	£24,105	£24,295
Clean water projects		£851	£851
Child Sponsorship	£2,252		£2,252
Solar lights		£153	£153
Small Kenyan projects	£70		£70
Admin costs in Kenya	£204		£204
UK costs and expenses	£0	£0	£0
Kenyan Bank charges	£12		£12
Currency loss	£11		£11
Loan to women's group	£424		£424
Loan to Tumpes Masasi	£1,652		£1,652
<b>Total</b>	<b>£170,903</b>	<b>£25,109</b>	<b>£196,012</b>
Surplus (receipts – payments)	(£4,391)	(£4)	(£4395)

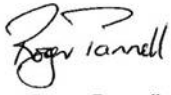
### Cash funds

Opening balance (end 2010)	£5669	£12669	£18338
Closing:			
Co-op bank UK		£12356	£12,356
Barclays Kenya	£1279	£309	£1588
<b>Total</b>			<b>£13,944</b>

### Non cash funds

Loan to women's group	£430
Loan to women's group	£424
Loan to Tumpes Masasi	£1652
<b>Total charity funds</b>	<b>£16,450</b>

The accounts were approved by the trustees on and signed on their behalf by:



Roger Pannell

Trustee

Date: 17<sup>th</sup> July 2012

