



united world schools
teach the unreachable



2018

2019

ANNUAL REPORT

AND STATEMENT OF ACCOUNTS



UWS Hile School, Nepal

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For the year ended 31st December 2018

Letter from the Chairman and the CEO

2018 was a milestone year for United World Schools (UWS). Cumulatively, since 2009, we have enrolled 25,000 students - over 20,000 in the last five years alone - into a UWS school. Each child is learning to read, write and count, transforming their life opportunities.

2018 saw us open 57 new schools across Cambodia, Nepal and Myanmar, including 23 smaller community learning sites in Myanmar. Our new hubs in the Koh Kong region of Cambodia and the Gulmi district of Nepal allow us to reach even more children in need of our help.

In addition to welcoming even more children into UWS classrooms, we have continued to improve the quality of the education that they receive. We've invested in pedagogical expertise, in turn building the capacity of the community and the government teachers working in our schools.

We know that long-term change comes not just from access to school, but through keeping children in school, and delivering an education that equips children with the skills they need to participate in their national economies.

Throughout 2018 we have continued to develop our model and complementary programmes to help children access education and stay in school.

These included:

- Extending and developing our model of small community learning sites in Myanmar
- Growing our Fellowship Programme in Nepal after the success of the initial pilot, enhancing educational quality across our schools

- Reinforcing our Child Protection Policies and safeguarding processes, to ensure the safety of our students
- Developing five additional kindergartens across Cambodia, to prepare pre-primary age children for school
- Opening one additional dormitory block in Cambodia, providing greater access to secondary school for our primary school graduates

In 2018, we also continued to invest in our partnerships with local communities, regional education authorities and national governments, to strengthen sustainability and local ownership of each of our community schools.

None of this progress would have been possible without a generous and committed network of individuals, trusts, corporate and school partners who all share our belief in the transformative power of education. In 2018, we raised almost £2.7 million and recruited 20 new partner schools and organisations to support our sustainability. Thank you to everyone who has been a part of our 2018 journey.

Thank you also to our colleagues in Cambodia, Myanmar, Nepal and the UK. Their tireless dedication to the cause is a constant source of inspiration. For every single child reached, a huge "well done".

In addition to welcoming more children into UWS classrooms, we have continued to improve the quality of education that they receive



UWS Chop Pring School, Cambodia



UWS Hway Hwe School, Myanmar

We are proud of our progress to date, but we will not stop here. UNESCO's 2018 report confirms there are still tens of millions of primary school age children who will never step foot in a classroom. We will continue to work to reach as many of these children as possible.

We continue to develop our model, focusing on the effectiveness and sustainability of all of our programmes. In 2019, we hope to enrol up to 10,000 more children into our schools, expanding their life opportunities. We will look to open at least 40 new schools, whilst still ensuring the quality of the education being delivered in each of our existing schools remains impactful and effective for every child.

Whilst we are committed to giving as many children access to education as possible, we are equally committed to sustainability and ensuring that all students already enrolled in our schools receive a proficient primary education - and learn to read, write and count. We balance how we invest our resources: between establishing new schools and running our current schools. In 2019, we will continue the process of transitioning our schools to greater local community control and local education authority responsibility - a key part of our 'exit' plan for sustainability - although we recognise that this may take an extended period of time.

In 2019 we will continue to invest in the growth of the charity, developing our leadership capability and diversifying our income portfolio to include a greater focus on statutory and institutional funding. We will continue to invest in our marketing and communications to reach a broader audience of potential supporters around the world. By doing so, we are taking a

longer term view of our mission; whilst we are not expecting to see an immediate return on this investment in 2019, by doing so we are setting up the charity for even greater success in 2020 and beyond.

Thank you for joining us on this journey and thereby helping transform tens of thousands of lives - we are creating powerful and permanent change.



Chris Outram
Chairman,
United World Schools



Tim Howarth
Chief Executive,
United World Schools

Who We Are

Our mission

is to improve, through education, life opportunities for some of the world's poorest children living in remote and marginalised communities.

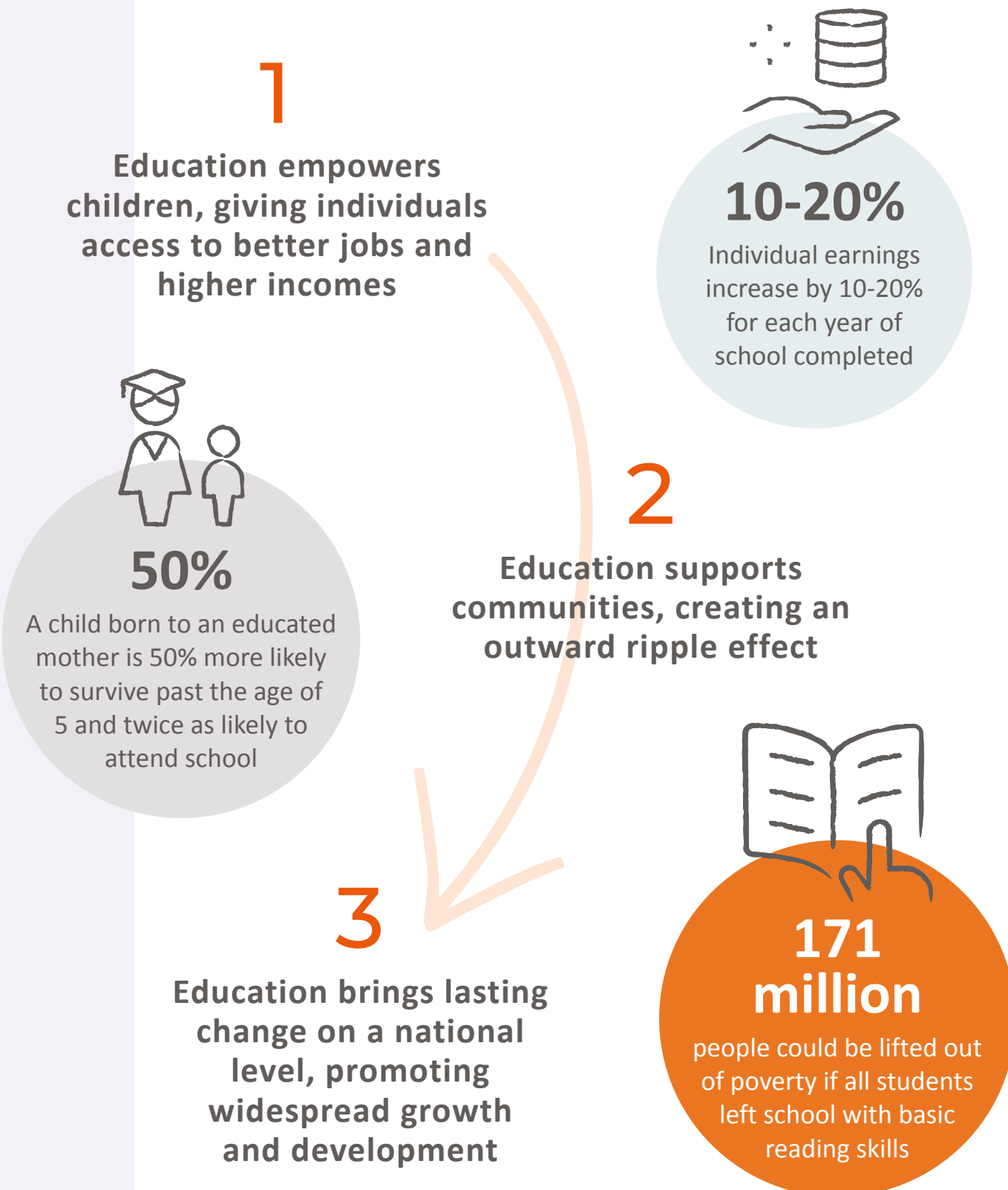
Our vision

is a world in which all children have the chance to go to school.



Why education?

The impact of education is far-reaching. It opens pathways for children, brings opportunity to communities, and catalyses widespread development. Put simply, education transforms lives.



Our approach

Our sustainable approach is changing the face of primary education in remote areas of South Asia, where children cannot access even basic education. We partner with local communities and supporters around the world to *teach the unreachable*.

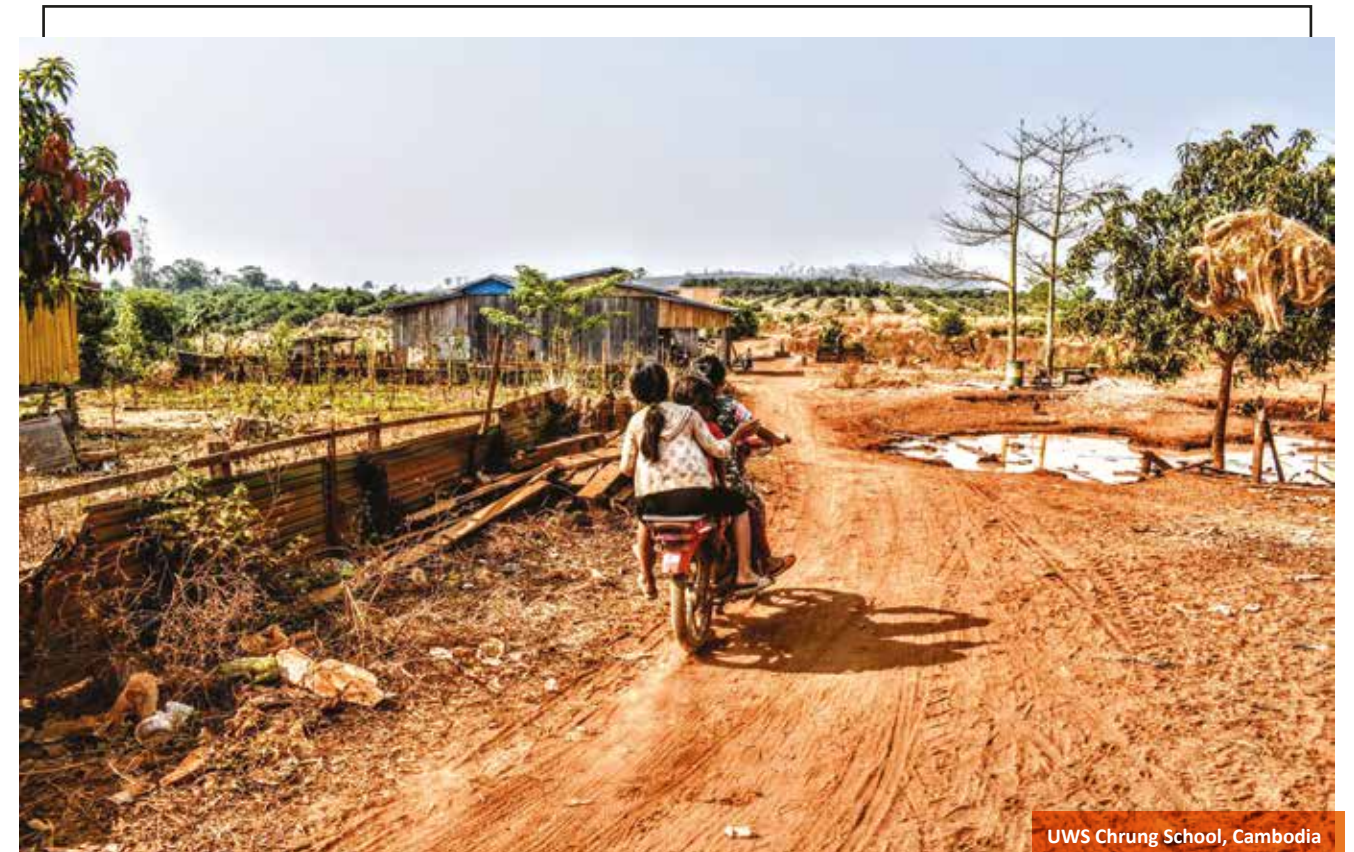


Where we work



We work in some of the most remote parts of Cambodia, Myanmar and Nepal, where a large number of people depend on subsistence farming for their livelihoods. Children in the communities that we work with have limited or no access to education, and often have poor access to clean drinking water and sanitation services.

Out of School Statistics: UNESCO Institute of Statistics, 2017



UWS Chrung School, Cambodia

Our work in Cambodia



184,824

out-of-school children
of primary age

90

UWS schools

11,233

children in UWS classrooms

489

teachers including **178**
recruited and trained
from local communities

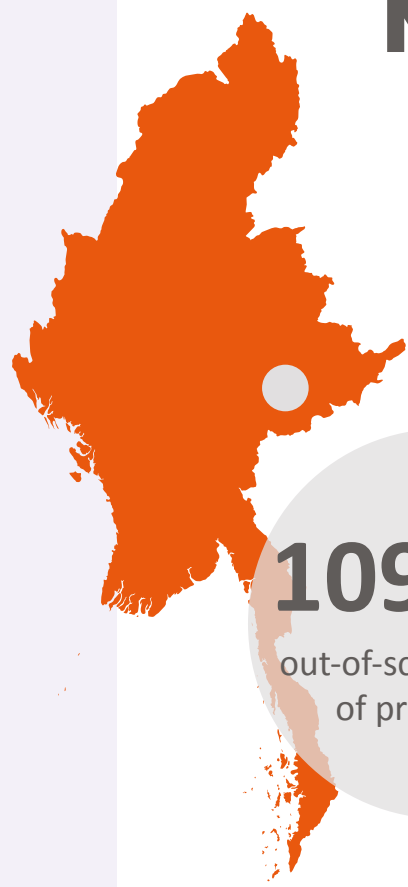
4

hubs in Ratanakiri,
Stung Treng, Monduliri
and Koh Kong provinces



UWS Hoe Main School, Myanmar

Our work in Myanmar



109,055
out-of-school children
of primary age

21 UWS schools
24 community
learning sites

2,512
children in UWS classrooms

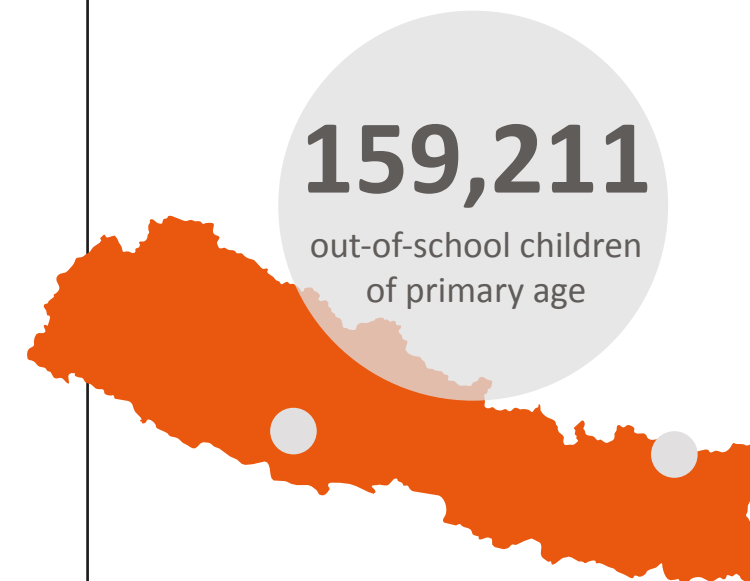
133
teachers including **93**
recruited and trained from
local communities

2
hubs in the Tachileik and Pekon
Townships of Shan State



UWS Hile School, Nepal

Our work in Nepal



159,211
out-of-school children
of primary age

21 UWS schools
2,322
children in UWS classrooms

160
teachers including **66**
recruited and trained
from local communities

2
hubs in Sankhuwasabha
and Gulmi Districts

Our Impact

In 2018 we opened 57 new schools across Cambodia, Myanmar and Nepal. We welcomed 6,500 new students into our classrooms and continued to work with teachers to improve education quality.



UWS Chop Pring School, Cambodia

THE 100TH UWS SCHOOL

In February, we celebrated opening our 100th school in Hurpa village, Eastern Nepal. The school is now well-embedded into community life, with six teachers delivering lessons to students from Kindergarten age to Grade Eight.



CELEBRATING 20,000 LIVES TRANSFORMED

In June, we reached the milestone of 20,000 children enrolled into UWS schools since 2009. Many of our long-term supporters gathered in London later in the year to celebrate this achievement, and look ahead to the next 20,000 out-of-school children we will support.

156

schools are open across Cambodia, Myanmar and Nepal



25,000

children have learnt to read, write and count in a UWS school since 2009

2018

The year at a glance



EXPANDING INTO NEW REGIONS

We constructed and opened our first school in the Gulmi District of Nepal, UWS Wagla School. We also continued to construct in the Koh Kong region of Cambodia, opening five schools in this region in 2018.

REACHING MILESTONES WITH EDUCATE A CHILD

In April, our partner Educate A Child (EAC*) celebrated 42 NGOs collectively enrolling 10 million children into school. We are proud to have been a part of this huge achievement, having worked alongside EAC for the past three years.

**EAC is a global programme of the Education Above All Foundation.*

782

teachers are delivering lessons



SUPPORTING AFTER DISASTER

At the height of the Cambodian monsoon season in July, the Xe-Namnoy dam in neighbouring Laos burst. This caused widespread flooding across northeast Cambodia. Our team worked with the government to distribute emergency supplies to UWS students and their families, including water filters to ensure communities could access clean water. Once the flooding had subsided, we worked with communities to repair damage to schools before the start of the new academic year in November.



UWS Hway Hwe School, Myanmar

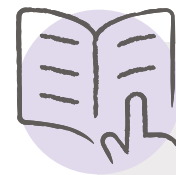
How we teach the unreachable

Every child deserves the chance to go to school. UWS serves children who would otherwise have no access to education. All of our students are from remote villages, and many belong to minority groups. They are both geographically and socially isolated, unable to access government education. Many speak indigenous languages, further isolating them from the government education system which is taught in a language they cannot speak or understand.

Our community schools are teaching these children to read, write and count in their own languages and close to their homes. Education is giving them a chance to access new opportunities that will transform their life chances, and those of their families.

Our commitment to safeguarding

We are committed to ensuring that our beneficiaries and their communities are safe and protected. All direct delivery staff receive extensive training on child protection, and all support staff in our countries of operation and head office receive regular safeguarding updates and sign a declaration that they have read, understood and will adhere to our child protection and safeguarding policy. The UWS child protection and safeguarding policy can be found on our website: www.unitedworldschools.org/our-child-protection-policy



16,057

children attending UWS schools

25,000

children have enrolled in UWS schools since 2009

267

pre-primary age children are attending United World Kindergartens

250

secondary-age children are staying in UWS dormitory blocks, giving them a pathway to secondary school

Data accurate as of December 2018

Meet Sona

Student, UWS Wana School, Nepal



Sona* is 10 years old and is the fourth of six children in her family. The family depends on the \$50 a month that Sona's father earns as a farmer. Sona used to walk two hours each way to her nearest government school. The long journey left her tired, meaning she struggled to participate in class and do her work. As a result, she performed poorly at school and was often absent.

After the establishment of UWS Wana School, Sona's family decided it would be best for her to move to Wana village, which is home to her mother's side of the family. Sona has now been attending UWS Wana School for three years. During this time Sona has made

significant progress. She is continuously at the top of her class and rarely misses a day of school. Not only is Sona enjoying learning in class, she also loves taking part in extracurricular activities and won 'Player of the Year' at sports week in December.

Sona's parents are incredibly proud of her. After completing her primary and secondary education, Sona hopes to serve her community by becoming a doctor. Thanks to UWS Wana School, Sona has a very bright future in front of her. Attending school has given Sona the chance to improve her life through education.

**Name has been changed to protect identity*



UWS Mong Lone School, Myanmar

How we support communities

We collaborate with communities that want and need our support, empowering them to build a better life for their children. We work closely with each community to establish a school, involving local people at every step.

From the outset, we set up a School Support Committee. This governing body of parents and local leaders is committed to the ongoing development of the school, helping each one to grow and flourish.

The whole village can benefit from our schools. We construct latrines and provide a clean water source which everyone can access. Our schools provide teaching jobs and training opportunities for local people, ensuring our partnership helps the entire village for years to come.



156 communities

in Cambodia, Myanmar and Nepal benefit from a UWS school

94%

of UWS schools have an active School Support Committee who oversee day-to-day management

More than 100,000

people in the communities in which we work have benefitted from improvements to water and sanitation facilities since we opened our first school

Data accurate as of December 2018

Meet the Takok Charai Community

Ratanakiri Province, Cambodia



The village of Takok Charai is located in Northern Cambodia, and this community was one of the first we partnered with. Seeing the success of other UWS schools in the region, leaders from the Takok Charai village reached out to us expressing their wish for a school for their children. As the community speak an indigenous language, they had always been excluded from government education which is taught in the Cambodian national language, Khmer.

Since the school opened in 2010, the community has been committed to its success. Three members of the village have trained as teachers, allowing children to

learn in their mother tongue. Parents and local leaders meet every few weeks to discuss the progress of the school and work to overcome any problems preventing children from attending school.

In 2018, the community and the UWS building team worked together to enhance the school facilities. They built new play equipment and constructed a shaded pavilion in the playground for students to use during break time. UWS Takok Charai School is truly a local project, and one that will remain to benefit all future generations of the community.



How we support teachers

UWS Takok Charai School, Cambodia

We **recruit, train** and develop teachers from within local communities to work alongside government-allocated teachers. Doing so provides new job opportunities and ensures that the education UWS provides is relevant to local contexts.

This is particularly valuable in communities which do not speak the national language. Employing local teachers who speak the children's mother tongue protects indigenous cultures and improves learning.

All of the teachers we work with receive ongoing training and professional development, to ensure they are equipped to deliver a high quality, child-centred education.



337

teachers recruited and trained from local communities are delivering lessons, many in indigenous languages

445

government-funded teachers are teaching in UWS schools

5

teachers are employed on average per school

Data accurate as of December 2018

Meet Sandar Win

Teacher, UWS Law San She School, Myanmar



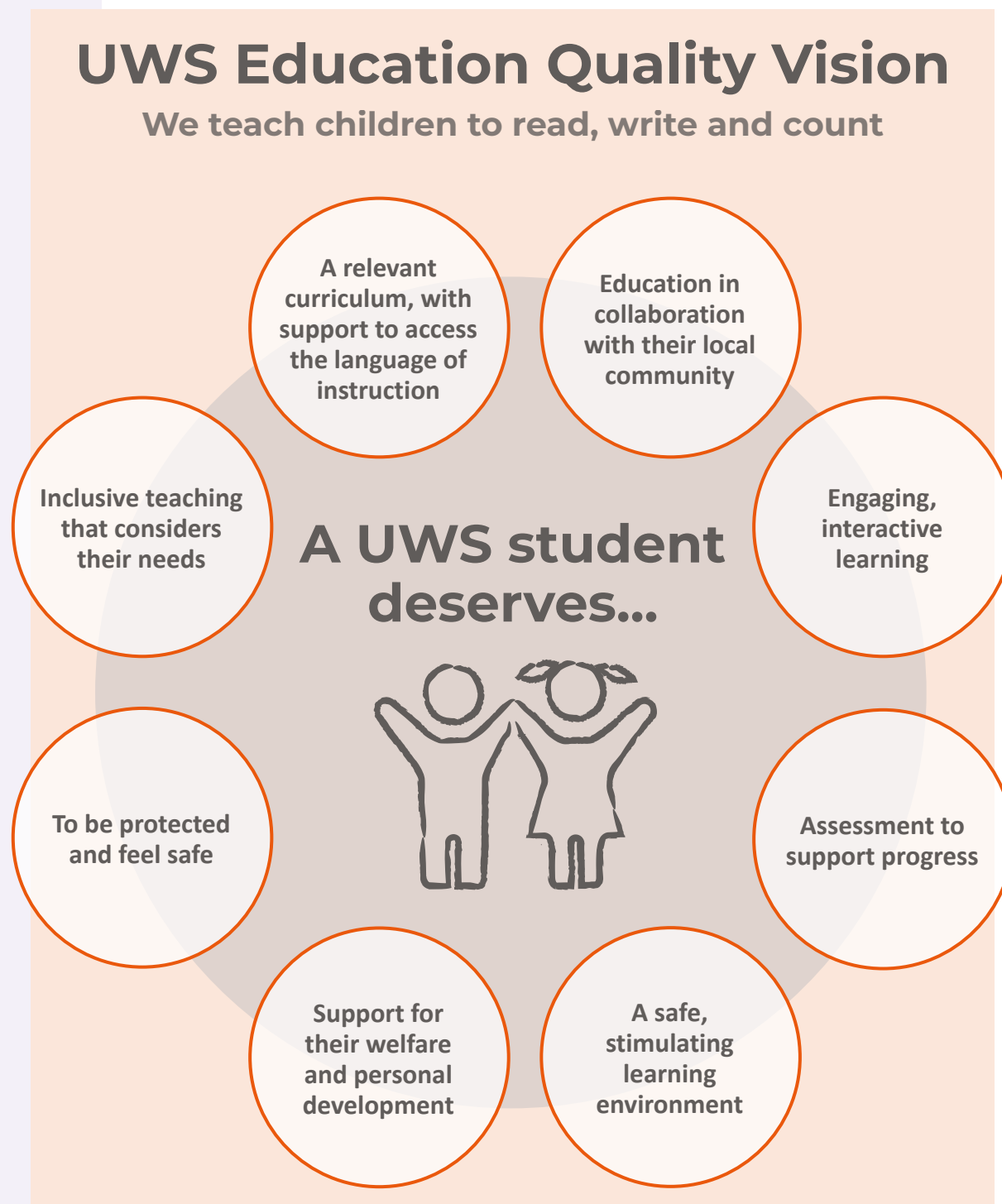
Sandar Win teaches Kindergarten and Grade Two classes at UWS Law San She School in Myanmar. She plays an important role within the school as she is bilingual, speaking the Myanmar national language, Burmese, as well as the community's indigenous dialect, Lahu. Sandar translates the national curriculum into a language the youngest children at the school can understand, while working with them to help them learn Burmese. During the school holidays, Sandar also leads a summer school class to help children improve their language skills. She says she feels accomplished when her students start to speak Burmese.

Sandar struggles with her English and she finds the pronunciation difficult. When UWS Education Officers visit the school, they help Sandar with her English skills, supporting her professional development. As English is part of the Burmese national curriculum, improving her understanding will help Sandar progress in her teaching career.

Sandar Win is particularly proud that, over the last academic year, the dropout rate at her school reduced to zero. She hopes to continue to encourage children to stay in school and learn the skills they need to succeed.

Improving education quality

Over the past year we have focused on defining our 'Education Quality Vision.' This will provide evidence-based, quality education to the children in UWS schools. We are delivering targeted teacher training focused on these themes as we strive to achieve this vision across all of our schools.



Throughout 2018 we continued to develop the quality of education delivered in UWS schools. Our aim is to ensure UWS students are not just in class, but are actively learning. In doing so, we support children to graduate from primary education with the skills they need to access improved life opportunities.

Teacher training

Student progress is directly linked to quality teaching, so we continue to invest in our educational support teams. In many regions we use a cascade method, through which education specialists deliver training to UWS Education Officers. These individuals are each responsible for five UWS schools, which they visit regularly to provide teacher training, monitor lessons, work with the community and more. In 2018, we focused on building the capacity of UWS Education Officers, delivering specialised training on a range of topics including child protection and student engagement. Using the cascade approach, this was then shared with the community and government teachers working across 156 UWS schools.

Providing local-level support

Our innovative Nepal Fellowship Scheme entered its second year in 2018. The scheme places ambitious Nepali university graduates in UWS schools for two years. Based in the community throughout this time, UWS Fellows focus on

improving the quality of teaching and learning in UWS schools. They also support school governance, and build relationships with parents and school leaders, helping to build locally-led improvement plans. In 2018, 11 communities benefited from placement of a UWS Fellow.

Improving learning environments

Creating a safe and stimulating learning environment is key to delivering a quality education. Over the past year, teachers have received training on creating inspiring classrooms, and our building teams have continued to enhance our school sites. A positive environment has been shown to directly improve student learning, and promote ongoing engagement and attendance. By ensuring all UWS schools have bright, colourful and informative displays, a playground, and hygiene facilities, we are helping our students to meet their potential.



UWS Bu Lu School, Myanmar

Delivering flexible education

We continued to develop our model to ensure as many children as possible are able to access UWS schools and receive a quality education.

Small community learning sites in Myanmar

We opened 23 small community learning sites in Myanmar in 2018. We develop these in villages that are too small for a standard UWS school, but have no other access to education. Instead of constructing a school building, we make essential repairs to an existing community structure in which we can deliver lessons. As in all of our schools, we train community teachers and provide learning resources. This is a cost-efficient way of delivering education to small, isolated communities.

Catch-up learning

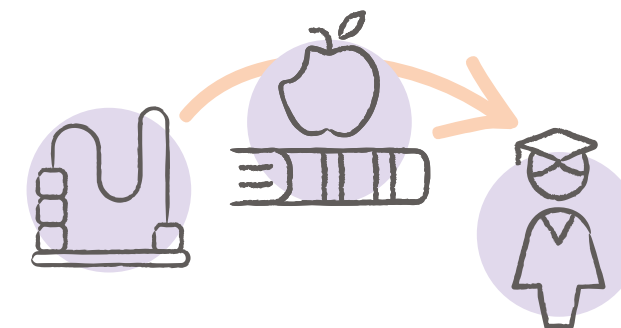
Our summer school programme takes place during the three month summer break in Myanmar, targeting children who speak indigenous dialects. These students are particularly at risk of dropping out as they struggle to follow a curriculum taught in the national language. Summer school focuses on language skills, allowing students to improve their Burmese so they can more easily participate in lessons when the academic year restarts. These sessions also support older students who are

We opened 23 small community learning sites in Myanmar in 2018

reluctant to learn alongside much younger children, but lack the numeracy and literacy skills to join higher grades.

In Nepal, we deliver additional lessons outside of the normal school day to help students who may be struggling. Similarly, across Cambodia we are developing an evening class programme to allow children to catch up on missed lessons during peak farming periods.

Supporting education pathways



Working with the smallest members of the community

Our early-years education programmes went from strength to strength in 2018, reaching more pre-primary age students than ever. Our Kindergarten staff received training in 'learning through play' teaching methodologies, helping them to prepare children to start school. Research has shown that children who attend some form of pre-school education are more likely to enrol in primary school and remain in education as teenagers. Kindergartens also allow older students to attend lessons undisturbed, without the responsibility of having to look after their younger siblings.*

*The World Bank, 2012

Pathways for primary school graduates

We opened our fourth dormitory block in Cambodia in 2018, to support students who have graduated from a UWS primary school. By providing them with a place to stay during the week, our dormitory blocks are giving them access to secondary school and a chance to work towards a high school diploma.

Meet Hun

UWS Dormitories Education Officer, Cambodia



Hun is the UWS Education Officer in Cambodia who looks after our four dormitory blocks. She visits the dormitories every week to check on the wellbeing of the students and runs short sessions centred around topics such as hygiene and nutrition. Hun also oversees

the provision of sanitary products to female students, as often their families are unable to afford these. She teaches the girls how to use sanitary products, ensuring their studies can continue as normal throughout the month.

Support in 2018

Our work is only possible thanks to a committed network of supporters around the globe, who share our vision of a world where every child has the chance to go to school.



UWS Hile School, Nepal



UWS Katcham School, Cambodia

Our supporters

In 2018, we raised a total of £2.66 million. We are incredibly grateful to the individuals, trusts and foundations, companies and schools who contributed to this figure. This remarkable support has transformed the lives of some of the world's poorest children.

Individual donors

We thank the many generous individuals from around the globe who sponsor our school projects, from construction and student enrolment, to school running costs and funding our teams in the countries where we work. This support means UWS students have access to quality education from their first day in class to their primary school graduation.

Our network of Global Guardians, who are key to the mission and future of UWS, continued to grow over the past year. Members of this committed group make a multi-year pledge which is invested in our core operations, supporting the sustainability of our programmes and enabling long-term change.

In addition to financial contributions, we are fortunate to receive in-kind support from a number of dedicated volunteers and supporters.

The UWS Board of Trustees

Our committed board use their expertise to guide and review our strategy, oversee our governance and support our growth. Their oversight is essential in achieving our mission and increasing our reach.

The UWS Council

This diverse group of professionals volunteer their time and expertise on subjects ranging from marketing to impact evaluation. Members of this group also act as UWS ambassadors, playing an important role in growing our networks.

Further support in 2018 included:

- English language training provided by language school Stafford House for two UWS Cambodia education staff. This is helping their liaison work with international partners.
- Collation and analysis of student data by specialists, to measure and evaluate our ongoing impact.
- Use of a venue in central London for our '20,000 Lives Transformed' celebration event.
- Technical support for our website and online advertising, ensuring we have a strong digital presence.

To all the individuals who make our work possible, thank you.

Our committed board use their expertise to guide and review our strategy

School partnerships

We are proud to partner with state-maintained and independent schools, both in the UK and across the globe. Our network of Partner Schools continued to grow in 2018, increasing to over 150 schools. Each Partner School is twinned with a UWS school, and fundraises to support its running costs. In this way, Partner Schools help to ensure the ongoing sustainability of our work.

In return for their support, students at Partner Schools receive updates and photos from the children we work with in Cambodia, Myanmar and Nepal, as well as learning resources. These are just a few of the fantastic Partner Schools who supported UWS in 2018.

THE GERMAN SWISS INTERNATIONAL SCHOOL

The German Swiss International School is a long-standing partner of UWS Rock School in Cambodia. In 2018, they raised an incredible £16,000 towards the school's running costs. Students from the German Swiss International School visited Cambodia in 2018, leading lessons and educational games with UWS students.



THE INTERNATIONAL SCHOOL OF YANGON

The International School of Yangon is one of our newest Partner Schools. During 2018, they organised a range of fundraising activities including an 'ice bucket challenge'. They are fundraising to support the building costs of an entirely new UWS school in Myanmar. Thanks to their efforts, the school will be constructed by the end of 2019.

THE BRITISH SCHOOL OF PARIS

The British School of Paris supports two schools in Cambodia and raises funds to support the running costs of both. In 2018, four teachers from the school organised a sponsored bike ride from Paris to London and back, cycling an incredible 550km in 50 hours.





UWS Wein Wa School, Myanmar

Partnerships

We are proud to work with a number of partners around the world who provide generous funding and support for our work.

2018 saw us into our third year of working with our partner Educate A Child (EAC), a global programme of the Education Above All Foundation. EAC's projects support children to overcome barriers to educational access and retention.

EAC and UWS have teamed up to build schools and enrol more than 33,000 out of school children across Cambodia, Myanmar and Nepal. We value the support from the team at EAC immensely and look forward to continuing to work with them in 2019 and beyond.

What EAC says about UWS:

United World Schools (UWS) is an independent charity providing the opportunity to children who have been denied access to education. UWS has a strong sense of social purpose combined with a balanced sustainable model that focuses on educating children in post-conflict developing countries whilst stimulating global cultural exchange and understanding. As its mission, the organisation works with communities to build schools and develop the skills of local teachers, providing a low-cost and sustainable path "to teach the unreached". Through active partnerships between community schools in economically disadvantaged regions of the world and more affluent schools and organisations, UWS' intervention model has proven effective since 2008.

In an attempt to increase access to quality primary education and reduce the prevalence of out of school children in Cambodia,



Myanmar and Nepal, EAC and UWS have come together to launch the Southeast Asia Schools Development Project. This project targets some of the most remote and marginalised communities in rural Cambodia, Myanmar and Nepal.

The project model consists of the following five key components: 1) consultation with government and local communities to elicit support/buy-in for project interventions; 2) global education partnerships with affluent schools and/or organisations to engender financial sustainability; 3) empowered School Support Committees (SSCs) that help manage the school and support attendance and retention efforts; 4) quality assurance through regular monitoring of qualitative and quantitative variables, teacher training and consultation with SSCs; and 5) the value for money principle whereby schools are built in areas that can provide basic quality education at a cost of US\$1 per student per week.

Source: EAC website: <https://educateachild.org/our-partners-projects/partner/united-world-schools>

The Jacaranda Foundation is another partner that has been key to our growth, providing multi-year funding to support our work. In 2018, our partners included:



Alpha Plus Group



Baillie Gifford



Barings Private Equity Asia



Cambridge Education Group



Change Group



Dubai Cares



Dukes Education



Dulwich International Schools Foundation



EC English



The GC Gibson Charitable Trust



Global Development Group



The Kadoorie Charitable Foundation



Kings Education



The Kishinchand Chellaram Foundation



Lloyds Bank



MoneyGram Foundation



RCRT Foundation



Search Associates



St James's Place Charitable Foundation



Terrapinn



Vida Vida

Finance and Governance



UWS Takok Charai School, Cambodia

2018 Finance Summary

2018 was another successful year financially for UWS - we generated a surplus of £30k (2017: £440k), with an increase in unrestricted reserves of £96k (2017: £402k) offset by a reduction in restricted reserves of £(66)k (2017: an increase of £38k). Total income in 2018 remained steady compared to prior year at £2,662k (2017: £2,679k).

Expenditure in 2018 increased by 18% to £2,632k (2017: £2,239k) reflecting an increase of £329k (or 17%) in charitable activities, for the building and running of schools. Total charity reserves therefore increased to £1,377k at the end of 2018, split between unrestricted reserves of £1,366k and restricted reserves of £11k. Free reserves, being reserves that UWS can freely spend on any of our charitable purposes, were £919k at the end of 2018, analysed as follows:

	£000s
Total funds	1,377
Less:	
1 Restricted funds	(11)
2 Fixed assets	(124)
3 Designated Funds	(309)
4 Operating Lease	(14)
Free reserves	919

The charity’s policy is to maintain free reserves equivalent to at least three months of running costs. Free reserves at 31st December 2018 of £919k exceeded three months running costs by £406k. These additional reserves provide UWS with the flexibility to continue with future school builds, and support existing schools and the associated commitments. The balance of £309k of designated funds at the year-end represents donations received from Educate A Child (EAC), income which was still to be spent at the end of the year. These funds have been designated under the agreement with EAC that the funds are spent on the shared charitable objects of supporting children to overcome barriers to educational access and retention. The funds are designated to the planned build of new schools, and the resourcing of existing schools in the first half of 2019.

“These additional reserves provide UWS with the flexibility to continue with future school builds and support existing schools



UWS Tien School, Cambodia

£27k

Events
£432k in 2017

£1,251k

Trust and Foundations
£872k in 2017



£2,662,000
TOTAL INCOME

£736k

Individuals
£652k in 2017

£339k

Partner Schools
£442k in 2017

£308k

Corporates
£281k in 2017

We were successful in growing our income from Individuals (+13%), Corporates (+10%) and Trust and Foundations (+43%) in 2018. The significant growth in Trust and Foundations income reflected a year on year increase in income from our largest supporter, EAC, of £487k. These increases were offset by a reduction in Partner School and Events income in 2018. We continue to encourage sustainable giving from Partner Schools with several long-term partnerships in place, alongside the need to grow other sustainable income lines. We held a successful gala dinner fundraising event in November 2017 which was not repeated in 2018 – whilst this was very successful the dinner can only be

held every two years, and we look forward to welcoming our supporters to the next dinner in November 2019. Our fundraising return on investment remained a healthy £7 raised for every £1 spent in 2018 (2017 ratio: £8 to £1). The slight reduction in the return principally reflected the lack of gala dinner in 2018, which generated a return of £10 for every £1 spent in 2017, in addition to an investment in fundraising resource in 2018 which we expect to generate a positive return in 2019 and beyond. We successfully increased our total unrestricted income from £1,073k in 2017 to £1,214k in 2018, an increase of 13%. Unrestricted income therefore grew to be 45% of total income in 2018 (2017: 40%).

Where your money went in 2018

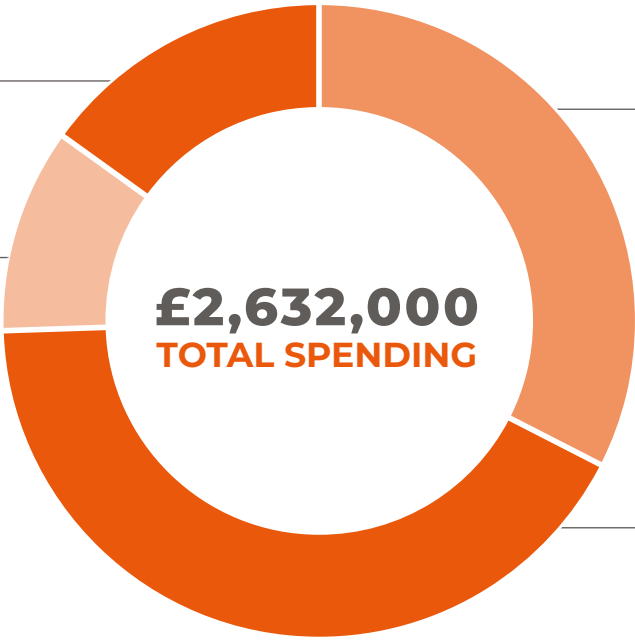
£396k

Fundraising costs
£333k in 2017

£276k

UK support costs
£193k in 2017

£43
average direct
cost of supporting
a child for
a year



£856k

School building & maintenance
£904k in 2017

£1,104k

School running and resourcing
£809k in 2017

Running and resourcing schools and building and maintaining schools continue to be our biggest areas of expenditure within our charitable activities. We opened a further 57 schools in 2018; 23 of these were community learning sites. This approach, which we piloted in Myanmar in 2018, significantly reduces the average building costs per school and is one we will be rolling out to other countries in 2019. As of the end of 2018 we had 156 active schools (133 excluding community learning sites) compared to a total of 99 active schools at the end of 2017.

The average direct cost of supporting a child enrolled in one of our schools of £43 per child per year (2017: £42) continues to represent exceptional value for our donors. We aim to make ourselves even more cost effective

by increasing enrolment and attendance in each of our active schools, in addition to looking for purchasing efficiencies as we grow in each country in which we operate.

In 2018, 85p out of every £1 was spent directly on charitable activities (2017: 88p), with 15p spent raising the next £1 (2017: 12p). We invested in additional fundraising resource in 2018 in order to help diversify our funding which we expect to generate a positive return in 2019 and beyond.

Ongoing support and governance both in the UK and in



85p
spent directly on
charitable activities

15p
spent raising the
next £1

the countries in which we operate is vital to ensure all money raised is spent efficiently and effectively, to provide the best value for money for our donors. In particular we robustly monitor and evaluate all areas of our work, both at head office and in country, enabling us to build a sustainable, high quality education model. In order to maintain adequate controls as the charity grows we invested in additional UK support in 2018, which included a full time Director of Finance and Operations, a new website platform and a new donor relationship management system, the latter ensuring compliance with the latest data protection legislation.

Key Performance Indicator	2018	2017
Number of active schools (at year end)	156	99
Number of children enrolled (at year end)	16,057	12,278
Number of children enrolled (cumulative to year end)	25,000	18,000
Average direct cost to build a school (excl community learning sites)	£22,000	£21,200
Average direct cost of education per child per year	£43	£42
Fundraising return on investment	£7 : £1	£8 : £1
Pence in £ on charitable activities	85p	88p



UWS Chop Pring School, Cambodia

Long-term vision and sustainability

Supporting schools and students to reach their potential

We are proud that every UWS school opened since 2009 continues to serve students today. Over the next few years, we will continue to focus on providing effective primary education in all of our community schools and community learning sites.

This means developing our existing community schools in a cost-effective way, to help them reach their full potential. This will include:

- Making sure all of our schools have the resources they need to deliver basic and effective primary education.
- Investing in ongoing teacher training and community support, to build local capacity and leadership.
- Further developing our partnerships with local and national governments, to strengthen the sustainability of our schools for the long term.

We will also work to support UWS students who successfully complete a primary education to transition to a government secondary school.

Continuing to teach the unreached

Delivering on our commitment of ‘transforming 50,000 lives’ through education, our plans for the coming years involve

establishing more schools for out-of-school children in remote regions.

In 2019, we aim to build at least 40 new schools, enrolling an additional 10,000 children into education.

We will also be investing in further, sustainable growth in 2020 and beyond. This includes strengthening our income generation capability, developing our partnership portfolio and reviewing the cost-effectiveness of each element of our model to strengthen the long-term sustainability of our operations.

In 2019, we aim to build at least 40 new schools, enrolling an additional 10,000 children into education

United World Schools Financial Statements

For The Year Ended
31st December 2018

Charity registration number: 1129537

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United World Schools

Charity Reference and Administrative Details

Year Ended 31 December 2018

Charity registration number	1129537
Trustees	Chris Outram (Chairman) Stephen Warshaw (Vice Chairman) Vicky Unwin John Siebert Fergus Brownlee (Vice Chairman) Rebecca Winthrop (Resigned 03/03/18) Ronald Graham Stuart Fletcher (Vice Chairman) Matthew Lester (Honorary Treasurer) John Lovering (Appointed 26/09/18)
UK Executive Team	Tim Howarth (Chief Executive Officer) Jack Clark (Schools Partnerships Director) (Resigned 31/01/19) Irahyma Paredes (Head of Fundraising) (Resigned 14/03/19) Verity Outram (Development Director) (Resigned 22/03/18) Fiona Stancombe (Consultant) Richard Chadwick (Finance & Operations Director) (Appointed 29/10/18)
Cambodia, Myanmar & Nepal teams	Katy Brand (Programmes Director) Nan Sitha (Cambodia Country Director) Surya Karki (Nepal Country Director) Dr Kay Khaing Win (Myanmar Country Director)
Registered office	Unit 138 Southbank House Black Prince Road London SE1 7SJ
Website	www.unitedworldschools.org
Email	info@unitedworldschools.org
Auditor	UHY Hacker Young Chartered Accountants 14 Park Row Nottingham NG1 6GR
Bankers	National Westminster Bank 151 High Street Guildford GU1 3AH

United World Schools

Trustees' Annual Report

Year Ended 31 December 2018

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2018. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016 and Update Bulletin 2 published on 20 February 2018).

Trustees of the charity

The Trustees who have served during the year and since the year end were as follows:

Chris Outram (Chairman)
 Stephen Warshaw (Vice Chairman)
 Vicky Unwin
 John Siebert
 Fergus Brownlee (Vice Chairman)
 Rebecca Winthrop (Resigned 03/03/18)
 Ronald Graham
 Stuart Fletcher (Vice Chairman)
 Matthew Lester (Honorary Treasurer)
 John Lovering (Appointed 26/09/18)

Objectives and activities

The objectives of the charity are to establish schools and advance education and well-being in countries such as Cambodia, Myanmar and Nepal.

Public benefit statement

In meeting objectives and formulating future plans the Trustees have considered the Charity Commission's guidance on public benefit. The charity continues to establish schools and advance well-being in countries such as Cambodia, Myanmar and Nepal.

Achievements and performance

The achievements and performance of the charity are outlined in detail on pages 14 to 33 of the Annual Report.

Financial review (including reserves policy)

A review of the charity's activities and financial position is summarised on pages 36 to 38 of the Annual Report.

In accordance with Charity Commission guidelines, the charity is required to ensure the sustainability of the organisation and maintain operating reserves to offset the impact of unforeseen events and operating cash flows. The charity's policy is to maintain free reserves equivalent to three months of running costs. Free reserves at 31 December 2018 of £918,965 exceeded this by £405,965.

Plans for future periods

The future plans of the charity are outlined in detail on page 39 of the Annual Report.

United World Schools

Trustees' Annual Report

Year Ended 31 December 2018

Structure, governance and management

United World Schools was registered as a charity on 12 May 2009, under registered number 1129537. It is governed by a Trust Deed dated 14 April 2009. It is an unincorporated charity.

The charity is governed by a Board of Trustees which acts in an honorary capacity. The Board meets up to 4 times a year to set overall policy and strategy and to scrutinise financial matters relating to the operation of the charity. The number of Trustees shall not be less than 2.

The Trustees administer the charity through the Chief Executive (a non-Board member), who leads the UK Executive Team comprising the Development Director, the Programmes Director and the Finance & Operations Director. The Programmes Director works with a team of country Directors and Managers for Cambodia, Myanmar and Nepal. Lines of responsibility within the charity are clearly drawn and communicated to all staff members. There is a meeting structure to ensure effective communication and co-ordination of activities.

The Trustees are appointed through the charity's Board recruitment procedure. The charity advertises Board vacancies from time to time and actively seeks suitable candidates. On appointment, new Trustees undergo an induction period during which their duties and responsibilities are explained to them. They receive a comprehensive pack of information including a copy of the Trust Deed, recent accounts and budgets, Board meeting minutes and a schedule of future meetings and events. Trustees are encouraged to attend meetings with the executive team to understand the day-to-day running of the charity.

The Board of Trustees operates two sub-committees – the Audit and Risk Committee and the Remuneration and Nomination Committee.

The Audit and Risk Committee is responsible for:

- assisting the Board in its oversight of the integrity of the charity's financial reporting, including supporting the Board in meeting its responsibilities regarding financial statements and the financial reporting systems and internal controls;
- monitoring the effectiveness and objectivity of external auditors; and
- assisting the Board in its oversight of the charity's risk management framework and the use of its comprehensive risk register, including the charity's performance, to protect against and mitigate risks.

The Remuneration and Nomination Committee is responsible for assisting the Board and making recommendations on:

- the appointment and remuneration of the senior Executives of the charity; and
- where relevant agreeing any material changes to the terms of the service contracts of any senior Executives.

Trustees also regularly visit projects in the countries in which UWS operates, ensuring that the charity continues to meet its objectives by providing quality, cost effective education to children in remote communities in Cambodia, Myanmar and Nepal. This complements visits to our projects by the experienced Executive Team and by other key UWS stakeholders, for example a number of our major funding partners who have significant experience of supporting education in remote communities.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

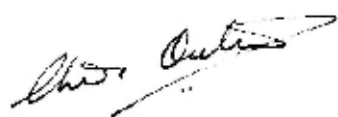
The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board of Trustees



Chris Outram, Chairman

Date: 30 May 2019

United World Schools

Independent Auditor's Report

Year Ended 31 December 2018

Independent Auditor's Report to the Trustees of United World Schools

We have audited the financial statements of United World Schools for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's Trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 44, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

United World Schools

Independent Auditor's Report (continued)

Year Ended 31 December 2018

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2015).
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



UHY Hacker Young - Statutory Auditor

Date: 30 May 2019

 14 Park Row
 Nottingham
 NG1 6GR

United World Schools

Statement of Financial Activities (Including Income and Expenditure Account)

Year Ended 31 December 2018

			2018		2017
	Note	Unrestricted funds £	Restricted funds £	Total £	Total £
Income and endowments from:					
Donations and legacies	2	1,186,886	1,431,994	2,618,880	2,207,919
Charitable activities	3	-	15,406	15,406	39,483
Other trading activities	4	26,702	-	26,702	431,896
Investments	5	755	-	755	163
Total income		1,214,343	1,447,400	2,661,743	2,679,461
Expenditure on:					
Charitable activities	6	400,090	1,835,357	2,235,447	1,906,078
Raising funds	7	320,183	75,894	396,077	332,914
Total expenditure		720,273	1,911,251	2,631,524	2,238,992
Net income / (expenditure)		494,070	(463,851)	30,219	440,469
Transfers between funds	18	(398,032)	398,032	-	-
Net movement in funds	18	96,038	(65,819)	30,219	440,469
Reconciliation of funds:					
Total funds brought forward	18	1,270,014	76,858	1,346,872	906,403
Total funds carried forward	18	1,366,052	11,039	1,377,091	1,346,872

All income and expenditure derive from continuing activities.

The notes on pages 50 to 62 form part of these financial statements.

United World Schools

Balance Sheet

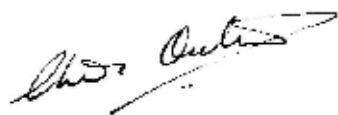
Year Ended 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	14	123,455	93,101
Current assets			
Debtors	15	19,558	12,157
Cash at bank and in hand		<u>1,270,691</u>	<u>1,277,246</u>
		1,290,249	1,289,403
Creditors: amounts falling due within one year	16	(36,613)	(35,632)
Net current assets		<u>1,253,636</u>	<u>1,253,771</u>
Net assets		<u>1,377,091</u>	<u>1,346,872</u>
Charity Funds			
Restricted funds	18	11,039	76,858
Unrestricted funds	18	1,366,052	1,270,014
Total charity funds	18	<u>1,377,091</u>	<u>1,346,872</u>

The notes on pages 50 to 62 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees on 30 May 2019.

Signed on behalf of the Board of Trustees



Chris Outram, Chairman

Charity registration number: 1129537

United World Schools

Statement of Cash Flows

Year Ended 31 December 2018

	Note	2018 £	2017 £
Net cash flow from operating activities	20	34,046	500,073
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(65,001)	(78,732)
Net cash flow from operating and investing activities		<u>(30,955)</u>	<u>421,341</u>
Net increase/(decrease) in cash and cash equivalents		(30,955)	421,341
Cash and cash equivalents at 1 January 2018		1,277,246	889,779
Exchange differences		24,400	(33,874)
Cash and cash equivalents at 31 December 2018		<u>1,270,691</u>	<u>1,277,246</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,270,691	1,277,246
Cash and cash equivalents at 31 December 2018		<u>1,270,691</u>	<u>1,277,246</u>

The notes on pages 50 to 62 form part of these financial statements.

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

1 Summary of significant accounting policies

(a) General information and basis of preparation

United World Schools is an unincorporated charity, registered in England & Wales under registration number 1129537. The address of the registered office is given in the charity information on page 41 of these financial statements. The nature of the charity's operations and principal activities are establishing schools and advancing education and well-being in countries such as Cambodia, Myanmar and Nepal.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016 and Update Bulletin 2 published on 20 February 2018), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have received the funds. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled. No income was deferred as at the year end.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Income from fundraising events is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income from volunteers represents the contributions made by volunteers towards the cost of their visits to the schools.

Interest income is recognised using the effective interest method on a receivable basis.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

The construction of new schools, wells, teacher accommodation and the related furnishings and equipment is viewed by the Trustees as charitable activities expenditure as it is incurred in delivering the objects of the charity. As such this expenditure is included within charitable activities resources expended within the statement of financial activities and not capitalised.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a pro rata basis to the percentage of staff time spent working in each area.

The analysis of these costs is included in notes 8 and 9.

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Equipment	25% on cost
Motor vehicles	25% on cost

We build schools on land owned by the community, and the schools are gifted to the community on completion. Whilst we agree to repair and maintain the schools, we do not capitalise them on our balance sheet as we do not own them or the land.

(g) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

To facilitate the budgeting process of the charity all USD transactions are translated into the functional currency at a fixed rate across the accounting period. This represents a departure from UK Generally Accepted Practice but has no impact on the net income or expenditure for the year due to the translation of monetary assets and liabilities denominated in a foreign currency at the balance sheet date into the functional currency using the closing rate.

Net foreign exchange gains or losses are charged or credited to the Statement of Financial Activities (SoFA) as outlined in note 10 to the financial statements.

(i) Operating leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

(j) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Redundancy payments are recognised immediately as an expense when the charity is demonstrably committed to make an employee redundant or to provide redundancy benefits.

The charity operates a defined contribution pension plan for the benefit of its employees. Pension contributions are expensed as they become payable.

Under FRS 102, the charity is required to accrue for all short-term compensated absences as holiday entitlement earned but not taken at the balance sheet date. As the charity's holiday year is coterminous with the balance sheet date accrual is only made within the financial statements where material.

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

(k) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(l) Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Central office support costs are allocated to expenditure on raising funds or charitable activities as a percentage of a person(s) time spent on those activities or a percentage usage of goods or services relating to those activities.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Income from donations and legacies

	2018 £	2017 £
Individuals	736,425	652,150
Partner schools	323,698	402,895
Corporate	308,268	281,283
Trusts & foundations	1,250,489	871,591
	<u>2,618,880</u>	<u>2,207,919</u>

Income from donations and legacies was £2,618,880 (2017 - £2,207,919) of which £1,431,994 (2017 - £1,567,174) was attributable to restricted funds and £1,186,886 (2017 - £640,745) was attributable to unrestricted funds.

3 Income from charitable activities

	2018 £	2017 £
Income from volunteers	15,406	39,483
	<u>15,406</u>	<u>39,483</u>

Income from charitable activities was £15,406 (2017 - £39,483) of which £15,406 (2017 - £39,483) was attributable to restricted funds and £nil (2017 - £nil) was attributable to unrestricted funds.

Partner schools visit our schools in country, and the students and teachers volunteer to help teaching in school. These costs are their funding of the in-country travel which we arrange, and also a contribution to the local administrative costs.

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

4 Income from other trading activities

	2018 £	2017 £
Fundraising events	26,702	431,896
	<u>26,702</u>	<u>431,896</u>

Income from other trading activities was £26,702 (2017 - £431,896) of which £nil (2017 - £nil) was attributable to restricted funds and £26,702 (2017 - £431,896) was attributable to unrestricted funds.

We held a Gala dinner fundraising event in November 2017, with the aim of raising funds to support the medium to long term objectives of the charity. The Event is now held bi-annually and the next Gala dinner will take place in November 2019.

5 Income from investments

	2018 £	2017 £
Interest – deposits	755	163
	<u>755</u>	<u>163</u>

Income from investment was £755 (2017 - £163) of which £nil (2017 - £nil) was attributable to restricted funds and £755 (2017 - £163) was attributable to unrestricted funds.

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

6 Analysis of expenditure on charitable activities

	2018 £	2017 £
Building costs	585,262	763,611
Building maintenance	270,969	140,850
Local country management and administrative salaries	277,435	169,050
Educational resources	159,725	133,377
Teachers' salaries	165,216	142,353
UWK project costs (Cambodia)	136,168	52,000
Travel & subsistence in country	112,082	81,343
Administrative costs	50,977	36,273
UK salaries	158,236	109,646
Volunteer costs	37,450	30,432
Vehicle hire, maintenance & running costs	94,804	68,750
Telephone / internet	20,488	679
Rent in country	24,555	10,956
Foreign exchange (gains)/losses	(10,735)	26,563
Depreciation	34,648	21,000
Pensions	13,330	5,745
Corporation Tax	-	47
Redundancy payments	-	35,560
Support costs (see note 8 overleaf)	104,837	77,843
	<u>2,235,447</u>	<u>1,906,078</u>

£1,835,357 (2017 - £1,648,864) of the above costs were attributable to restricted funds, and £400,090 (2017 - £257,214) of the above costs were attributable to unrestricted funds.

Building maintenance, local country management and teacher salaries, in addition to educational resources and transport costs in country all increased year on year due to the increase in number of schools which were operational in 2018. In addition we scaled up our rollout of kindergartens in Cambodia, leading to a significant increase in UWK costs in the year. UK salaries attributable to charitable activities increased year on year with an investment in the UK team as the charity grew, alongside a focus on ensuring activity was focused primarily on our operations (refer to note 13 for additional staff cost analysis).

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

7 Analysis of expenditure on raising funds

	2018 £	2017 £
Charity portal fundraising fees	3,364	13,060
Fundraising event costs	3,094	47,807
UK salaries	277,645	200,150
Support costs (see note 8 overleaf)	111,974	71,897
	<u>396,077</u>	<u>332,914</u>

£75,894 (2017 - £44,255) of the above costs were attributable to restricted funds, and £320,183 (2017 - £288,659) of the above costs were attributable to unrestricted funds.

8 Allocation of support costs

Support cost - 2018	Raising funds £	Charitable Activities £	Total £
UK Rent	14,240	13,144	27,384
Depreciation	-	-	-
Travel & subsistence	43,258	36,803	80,061
Foreign exchange (gains)/losses	(7,106)	(6,559)	(13,665)
Governance (see note 9 overleaf)	61,582	61,449	123,031
Total	<u>111,974</u>	<u>104,837</u>	<u>216,811</u>

Support cost - 2017	Raising funds £	Charitable Activities £	Total £
UK Rent	7,122	6,455	13,577
Depreciation	453	410	863
Travel & subsistence	25,893	23,469	49,362
Foreign exchange (gains)/losses	3,830	3,472	7,302
Governance (see note 9 overleaf)	34,599	44,036	78,635
Total	<u>71,897</u>	<u>77,842</u>	<u>149,739</u>

Support costs are allocated on the basis of staff time spent on each activity.

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

9 Governance costs

Governance cost - 2018

	Raising funds £	Charitable Activities £	Total £
Consultancy fees	6,918	14,943	21,861
Auditor's remuneration (see note 11 overleaf)	5,508	4,692	10,200
Recruitment fees	19,419	16,521	35,940
Legal fees	1,951	1,653	3,604
Bank charges	2,203	1,874	4,077
Office supplies	18,643	15,861	34,504
Telephone and internet	4,553	3,874	8,427
Insurance	2,387	2,031	4,418
Total	<u>61,582</u>	<u>61,449</u>	<u>123,031</u>

Governance cost - 2017

	Raising funds £	Charitable Activities £	Total £
Consultancy fees	12,553	24,053	36,606
Auditor's remuneration (see note 11 below)	5,193	4,707	9,900
Recruitment fees	447	405	852
Legal fees	1,741	1,579	3,320
Bank charges	1,579	1,431	3,010
Office supplies	5,834	5,288	11,122
Telephone and internet	5,840	5,294	11,134
Insurance	1,412	1,279	2,691
Total	<u>34,599</u>	<u>44,036</u>	<u>78,635</u>

Governance costs are allocated on the basis of staff time spent on each activity except for consultancy fees which are allocated on a direct basis.

10 Net income / (expenditure) for the year

Net income / (expenditure) is stated after charging / (crediting):

	2018 £	2017 £
Depreciation of tangible fixed assets	34,648	21,863
Net (gain)/losses on foreign exchange	(24,400)	33,865

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

11 Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £10,200 (2017 - £9,900).

12 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2017: £Nil).

The total amount of employee benefits received by key management personnel were £314,888 (2017 - £292,868), including redundancy payments of £nil (2017: £35,560).

The charity considers its key management personnel comprise the UK Executive Team and the Cambodia, Myanmar & Nepal Directors.

The Trustees did not have any expenses reimbursed during the year (2017 - £Nil).

The Trustees donated £50,884 (2017: £95,515) to the Charity without conditions.

13 Staff costs and employee benefits

The average monthly number of employees on the central office payroll during the year was as follows:

	2018 Number	2017 Number
Raising funds	8	5
Charitable activities	6	5
	<u>14</u>	<u>10</u>

The total staff costs and employees benefits for the central office payroll were as follows:

	2018 £	2017 £
Wages and salaries	478,399	319,430
Social security	49,939	33,931
Defined contribution pension costs	13,330	5,745
Redundancy payments	-	35,560
	<u>541,668</u>	<u>394,666</u>

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

The number of employees whose total employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2018 Number	2017 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
	<u>2</u>	<u>2</u>

Local country management and administrative salaries of £277,435 (2017: £169,050) include 100% (2017: 100%) of the Programme Director's salary costs. The Programme Director's full salary is reflected within the total staff costs and employees benefits for the central office payroll above.

14 Tangible fixed assets

Cost or valuation:

At 1 January 2018

Additions

At 31 December 2018

Depreciation:

At 1 January 2018

Charge for the year

At 31 December 2018

Net book value:

At 31 December 2018

At 31 December 2017

Equipment £	Motor vehicles £	Total £
5,633	159,126	164,759
4,668	60,333	65,001
<u>10,301</u>	<u>219,459</u>	<u>229,760</u>
1,849	69,809	71,658
1,811	32,837	34,648
<u>3,660</u>	<u>102,646</u>	<u>106,306</u>
<u>6,641</u>	<u>116,814</u>	<u>123,455</u>
<u>3,784</u>	<u>89,317</u>	<u>93,101</u>

We build schools on land owned by the community, and the schools are gifted to the community on completion. Whilst we agree to repair and maintain the schools, we do not capitalise them on our balance sheet as we do not own them or the land.

Vehicles represent motorbikes, boats and 4x4 trucks owned in Cambodia, Myanmar and Nepal, which staff use locally to travel to the remote school locations.

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

15 Debtors

	2018 £	2017 £
Prepayments	18,134	12,157
Other debtors	1,424	-
	<u>19,558</u>	<u>12,157</u>

16 Creditors: amounts falling due within one year

	2018 £	2017 £
Accruals	21,577	20,202
Other tax and social security	15,036	12,299
Pensions	-	3,131
	<u>36,613</u>	<u>35,632</u>

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	<u>14,364</u>	<u>2,840</u>
	<u>14,364</u>	<u>2,840</u>

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

18 Fund reconciliation

Unrestricted funds

General funds

	Brought forward £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Closing balance £
General	1,270,014	1,214,343	(720,273)	(398,032)	-	1,366,052
	<u>1,270,014</u>	<u>1,214,343</u>	<u>(720,273)</u>	<u>(398,032)</u>	<u>-</u>	<u>1,366,052</u>

The closing balance of £1,366,052 of unrestricted funds includes a balance of £309,268, received from Educate A Child (EAC), which is designated under an agreement that the funds are spent on the shared charitable objects of supporting children to overcome barriers to educational access and retention.

Restricted funds

	Brought forward £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Closing balance £
Cambodia	-	1,062,876	(1,253,982)	189,727	-	-
Myanmar	31,125	52,298	(213,483)	130,060	-	-
Nepal	-	300,111	(376,977)	76,866	-	-
UWK	45,733	32,115	(66,809)	-	-	11,039
	<u>76,858</u>	<u>1,447,400</u>	<u>(1,911,251)</u>	<u>398,032</u>	<u>-</u>	<u>11,039</u>

45% of the donations received in 2018 (2017: 40%) were unrestricted, meaning the charity can use them as we see fit to further our aims. Where needed, we transferred the funds to the appropriate restricted pots where the activity was greater than the specific restricted funds.

Statement of accounts

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2018

19 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	123,455	-	123,455
Net current assets	1,242,597	11,039	1,253,636
Total	1,366,052	11,039	1,377,091

Fixed assets held are used in country for charitable activities and, in line with the accounting policies outlined in note 1, the depreciation of these assets is treated as a restricted fund expense. However, there is no restriction on the charity in the use or future sale or disposal of these fixed assets and, as such, they are analysed under unrestricted funds above.

20 Reconciliation of net income to net cash flow from operating activities

	2018 £	2017 £
Net income for year	30,219	440,469
Depreciation of tangible fixed assets	34,648	21,863
(Increase) / decrease in debtors	(7,402)	(11,740)
Increase / (decrease) in creditors	981	15,607
(Gains) / losses on foreign exchange	(24,400)	33,874
Net cash flow from operating activities	34,046	500,073

21 Analysis of changes in net debt

	Brought forward £	Cash flow £	Exchange difference £	Closing balance £
Cash & cash equivalents	1,277,246	(30,955)	24,400	1,270,691
	1,277,246	(30,955)	24,400	1,270,691

22 Pensions and other post-retirement benefits

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £13,330 (2017 - £5,745).






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