



united world schools
teach the unreachable



2020/2021

ANNUAL REPORT

AND STATEMENT OF ACCOUNTS

unitedworldschools.org UK registered charity number 1187721
United World Schools USA Inc. is a 501(c)3 registered organisation

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Hand-washing facilities, Nepal

Letter from the CEO

2020 presented challenges that none of us could have anticipated. I would like to take a moment to acknowledge every remote community with whom we have worked in partnership with great success to safeguard education during an extraordinary 12 months. Our community leaders, just like our teams and colleagues across the education sector all around the world, have demonstrated remarkable resilience, determination and ingenuity.

Throughout this difficult year we have remained dedicated to the UWS mission to Teach the Unreached; continuing to establish and operate schools in remote communities and reach even more children with quality education that can transform their lives.

In Cambodia, Nepal, Myanmar, the UK and the USA, we have all been deeply impacted by the Covid-19 pandemic. Our teams at UWS took these seismic changes in their stride, adjusting to changing government guidelines, working remotely, teaching remotely, managing remotely, and fundraising remotely. Colleagues have shown their unwavering commitment to delivering education, whether that be through project-based learning, community lessons, or through radio broadcast lessons. More recently, our team in Myanmar has experienced political upheaval, which presents significant challenges in addition to Covid-19. The team remains steadfastly committed to delivering education during this time.

In the face of Covid-19, UWS' teams acted rapidly to provide children with innovative distance learning, as well as pivoting towards WASH (Water, Sanitation and Hygiene) programmes to keep children and communities safe. We upgraded WASH facilities in 175 communities, and our teachers and Education Officers reached 148,000 people in Cambodia, Myanmar and Nepal with essential information about coronavirus and advice on how to prevent the spread. Our distance learning programmes reached over 40,000 children including lessons delivered via loudspeaker. Our radio broadcast lessons reached 23,000 children in Nepal alone, with over 19,000 of these children additional beneficiaries outside of UWS schools.

Throughout the pandemic, our staff, teachers, and Education Officers shouldered the responsibility of safeguarding vulnerable children. The UN warned during the height of the pandemic that 24 million children may never return to school after lockdown. Yet when the UWS community schools reopened in Cambodia and Nepal, over 85% of enrolled students re-joined within a few months. This is a great sign for the future - bucking the global trend. Other highlights included:

- By the end of 2020, UWS had reached over 40,000 children since our first school opened its doors. In 2020, we ran 226 schools and Community Learning Sites, and 21 more were under construction. We even welcomed our 1,000th teacher!

- In 2020, we also transitioned our first 5 schools in Cambodia from UWS schools to local and government-run Legacy Schools. This is a vital part of our model, ensuring a sustainable impact, empowering local communities to run their own schools over time and giving UWS the capacity to reach even more underprivileged children with education for the very first time.
- In 2020, our achievements have been formally recognised and UWS was the proud recipient of two international awards, the PIONEER of the Year award from The PIE News (Professionals in Education) for innovation in education, and the prestigious UNESCO King Sejong Literacy Prize for our mother-tongue education programmes in Myanmar.

None of this would have been possible without the generosity and compassion of our support network of individuals, trusts, corporate and school partners. Despite a global pandemic and subsequent recession, we raised in excess of £2.7m in 2020. With our Partner Schools significantly impacted by global events, and without being able to run fund-raising events, this is an exceptionally strong performance. To all our supporters, on behalf of all of us here at Team UWS, thank you. And even more importantly, thank you on behalf of the tens of thousands of children who stayed safe and continued learning because of you.

Looking ahead to 2021, we remain committed to growth and delivery of an exceptionally low-cost, high-impact and sustainable model that strikes at the heart of delivering the United Nations' Sustainable Development Goal 4 (inclusive, quality education) for every child.

- By running our schools in partnership with local communities and local governments, we can deliver education for as little as USD \$2 (£1.50) per student, per week.
- Up to twenty more of our community schools will fully transition into the local education systems, locking education into the heart of each remote community for generations to come.
- As UWS matures, we continue to invest in and develop a broad, diverse and robust global leadership team with the capability to continue to sustainably scale our replicable, proven model.
- We have momentum and confidence in further growth across our income lines in 2021. We will launch our first UK Aid Match campaign, a three-month window where eligible donations from UK taxpayers will be doubled by the British Government. We aim to raise over £2m through the campaign, to bring education to many thousands more children.



“Colleagues have shown their unwavering commitment to delivering education”

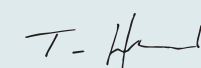
- We are thrilled to be fully launching UWS USA Inc, a 501(c)3 registered organisation, who will develop the UWS supporter base and organisational capacity in the United States from 2021.

We are pragmatic, as well as optimistic. At the time of writing, we are still facing and finding solutions to numerous challenges. Schools in Myanmar have been closed for an entire calendar year due to Covid-19, and now the country is experiencing political turmoil. At United World Schools, our primary focus is always the well-being of our students, teachers, and our wider school communities. Throughout the pandemic and political instability, our teachers and Education Officers have been working hard to continue to reach over 4,000 children from remote, ethnic-minority communities in Myanmar with the education they deserve.

Our thanks and appreciation goes to our colleagues in Myanmar, Cambodia, Nepal, UK and the US for successfully managing a hugely challenging period. The UWS team continues to drive UWS forward, making personal sacrifices for the mission. Colleagues inspire each other to deliver for every UWS student. Congratulations team, and well done on another terrific year!

Finally, and in personal news, although this has been an exceedingly difficult decision to take, after ten years, I have decided to step down as UWS' Chief Executive in the Autumn of 2021. I am proud to be leaving UWS on a high, with strong momentum, a great team, and ambitious growth plans. I am incredibly grateful to everyone who has supported UWS on this amazing adventure – education is a human right, and together we can continue to give that right to thousands more children, transforming lives for good.

Thank you for your steadfast support.



Tim Howarth
Chief Executive, United World Schools



UWS Heluwabesi School, Nepal

Letter from the Chair

I am excited to have joined United World Schools at a time of such great resilience and opportunity. In this, my first letter to you, I'd like to look forward to our ambitious plans to accelerate growth, to transform even more lives in the communities we serve.

I was immediately inspired by UWS because we teach the unreached - we go where others can't or won't go, and that is where education is most needed. And all of this is delivered through a compelling and sustainable model which empowers local communities for the long term.

This is a dynamic organisation which has grown rapidly in the past decade to reach over 40,000 children and has successfully navigated the challenges of Covid-19 to date. UWS has developed a highly scalable, low-cost model for growth, financed by a diverse and robust mix of income, for which we are eternally grateful to our many supporters. All of this is testament to the exceptional quality and high-performance ethic of our diverse global team. I am proud that the vast majority of our global team of 1,200 people are local nationals in Cambodia, Myanmar and Nepal, supported by our established team in the UK and our new team in the US, the world's largest market for philanthropy.

We warmly welcomed new Trustees and Senior Executives to the UWS family in 2020, strengthening our capability and capacity in key areas of planned growth. Thank you to our highly committed Board of Trustees who all share the team's passion for the UWS mission; our recent appointments have added further diversity to the board and future recruitment will build further in this direction. Thanks also to the Trustees who have stepped down from the Board during the last year; your contribution over many years has played a key role in making UWS who we are today.

The quality of our team, combined with the continuing strength of support of our donors and partners, together provide an exciting platform to scale up our delivery even more rapidly. We have recently opened our 250th school, another milestone toward our objective to reach 250,000 out of school children with quality, inclusive education to transform lives. To this end we are developing innovative plans for new strategic partnerships and new countries.



“This is a dynamic organisation which has developed a highly scalable, low-cost model for growth”

We all owe a huge debt of gratitude to Tim, who steps down as CEO in the autumn of 2021. Tim has been at the core of UWS for the last decade; he leaves behind an organisation in excellent shape and with exciting momentum.

We look forward to welcoming a new CEO later this year as we scale up UWS' plans for future growth, to transform hundreds of thousands of lives through the power of education. My colleagues and I look forward to working with you on the exciting next steps of our journey together.

A handwritten signature in dark ink that reads "Peter Taylor".

Peter Taylor
Chair, United World Schools



UWS student Kanchi with her grandmother, Nepal

In 2020, over a billion children around the globe experienced what it was like to have no school to go to.

The economic effects of coronavirus have pushed many families further into poverty. This means that, as schools reopen, millions of children around the world may never return.

Girls were already more likely to miss out on primary school than boys. Now their chances of marrying before they turn 18 are even higher. Families who have a son and daughter, but can only afford to send one of them to school, will probably choose their son. This leaves daughters with few options beyond early marriage and having children while still children themselves.

Other children will enter into the workforce to support their families. Innumerable children will never learn to read, write, or count. Those who do return to school will be more likely to drop out than before. For those who were denied an education before the pandemic, their chances of ever receiving one are even lower.

In remote regions of Nepal, Cambodia and Myanmar, the culture of education is new and fragile. Families are dependent on children's help on the farms and at home. For many, it's just too far or dangerous to get to school. In these areas, less than a third of the population completes primary education.

Covid-19 has exacerbated this education crisis, making it even harder to reach these children. We all know how difficult it's been for children everywhere to learn during the pandemic. For children in extremely remote areas with no technology, it has been ever harder.

The UN estimates that 24 million children worldwide may never return to school after the pandemic, becoming victims of a lifetime of poverty. Vital progress made in learning and access to education worldwide will be pushed back by a decade.

We need to act now to ensure that every child has the chance to access quality education. We cannot let the pandemic steal their future.



UWS Ta Lart Thmey School, Cambodia

Where we work



Myanmar

91,889
out-of-school children
of primary school age

76
UWS schools

3,554
children enrolled
(enrolled at year end)

207
teachers



Nepal

103,384
out-of-school children
of primary school age

38
UWS schools

4,464
children enrolled
(enrolled at year end)

233
teachers



Cambodia

190,043
out-of-school children
of primary school age

112
UWS schools

12,304
children enrolled
(enrolled at year end)

682
teachers

*Out-of-school statistics from UNESCO monitoring data.

2020 in numbers



25,241...
children reached (2019: 22,476)



with an additional
19,200
beneficiaries reached in Nepal
through the radio programme (2019: 0)



226
schools and partner
communities (2019: 208)



21
new schools under
construction (2019: 9)



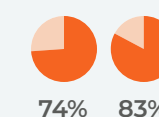
1,122
teachers (2019: 971)



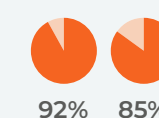
5
schools transitioned to local
ownership (2019: 0)



300
children staying at our
secondary school dormitory
blocks (2019: 300)



In Nepal, **74%** of students who graduated from a UWS primary school continued on to secondary school. In Cambodia, **83%** of graduating students continued on to secondary school.



At the start of the new academic year, **92%** of our students returned to school in Nepal and **85%** returned in Cambodia.

In Myanmar, retention and finish rates are not applicable owing to continued school closures since March 2020.

In addition to our normal education programmes, we also developed new interventions as a response to the coronavirus pandemic. Read more about these and their impact on pages 20-23.

Theory of Change & Operational Model



ACTIVITIES

We teach the unreached, providing education for out of school children in remote and marginalised communities

With the local community, we build primary schools which provide a safe and positive learning environment

Our community teachers and government teachers deliver the national curriculum. Our teacher training and school development programme embeds quality education and promotes child centred learning

Our inclusive practices ensure our schools and curriculum are accessible for all and that all children are engaged in learning. Support is targeted for attendance, retention and learning.



SUSTAINABILITY

We work in partnership with communities, empowering them in governance, leadership and administration through capacity building programmes

We work in partnership with national and local governments in all aspects of our operations. Their contributions to staffing and running costs increase over time, as ours decrease.

We transition the school to community and government ownership after 5-7 years and exit

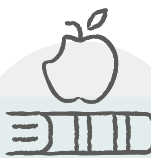


PRIMARY IMPACT

Children, including the most at risk, attend school regularly and complete primary level education

Children gain literacy and numeracy skills, and develop improved life and social skills

Communities gain structures, capacity and skills to effectively govern and sustain the school



SECONDARY IMPACT

Communities benefit from continued education opportunities, improved health and livelihoods, and reduced inequalities

National education is positively influenced by our policies, practice and training. After transition our legacy schools are a lasting asset to the sector



LONG TERM IMPACT

National education is positively influenced by our policies, practice and training. After transition our legacy schools are a lasting asset to the sector



Transition allows UWS to invest in new unreached communities



UWS Heluwabesi School, Nepal

How we measure our impact

Throughout 2020, we invested in our monitoring, evaluation and learning processes to evidence and scrutinise our impact. Three primary impact measures, underpinned by our theory of change, are now used to judge progress against our long-term goals:

1. **Communities gain structures, capacity and skills to effectively govern the school and sustain quality, inclusive education.**
2. **Children gain literacy and numeracy skills and develop improved life and social skills.**
3. **Children, including the most vulnerable, attend school regularly and complete primary level education.**

In 2021, we will launch an updated data management system. Education Officers will capture individual student data via mobile phone, improving reporting capability and analysis on the data collected. This also supports our inclusion plan, creating an enhanced capability to identify and track vulnerable students. This will facilitate quicker development of intervention plans to prevent school drop out.

We are also investing in NFER (National Foundation for Educational Research) assessments, globally standardised assessments, so that we can monitor and continuously improve the quality of education we deliver.

We will also expand our qualitative methods of impact measurement. Participatory beneficiary feedback, which became central to data collection during the pandemic, will continue to be used as tool for ongoing, structured community influence in local programme delivery.

Our sustainability



“We transition each school to community or national education systems after 5-7 years.”

When a child accesses education for the first time, it doesn't only transform their own life. It has a lasting impact on their parents, their future children and their entire community for generations to come.

At United World Schools, we train local teachers, empower students and parents, provide health and sanitation support and partner with regional and national governments. We provide ongoing support and empower communities in governance,

leadership and administration until every school is self-sustaining and we are confident in the local authority's ability to maintain it.

We transition each school to community or national education systems after 5-7 years. This means that each school becomes a 'Legacy School', strengthening national education systems and continuing to provide a life-changing education to hundreds of children for generations to come.



UWS Roy Community, Cambodia

UWS Roy School, located in a rural village in the Ratanakiri Province of Cambodia, is one of our schools that transitioned into a self-sustaining Legacy School in 2020. We built UWS Roy School in 2012, with 197 children enrolling in its first year. Since then, UWS Roy School has quickly become one of the cornerstones of the local community.

Inevitable challenges emerge when introducing education for the first time, including near-universal illiteracy and sporadic initial attendance. UWS Roy School has successfully overcome these, with 80% of its students achieving the grades they need to pass. This is a huge achievement for a community that is accessing education for the first time. As well as a great education, children also play with their friends, learn to

grow food in the school vegetable garden, borrow books from the school library and more.

“There has been a huge transformation in Roy village since this school was established. Now, the students are more thoughtful and they have their parents' support to stay in school more than previous generations,” says Mr. Chom Nop, UWS Roy School's Headteacher. “I've noticed that my Grade 6 children [11-12-year-olds] are less likely to drop out of school to get married than they were before.”

12-year-old Vithu has attended UWS Roy School since he was seven years old. Like most of the children at UWS Roy primary school, he is now going to continue his studies at the local Kes Chong high school.

“My teachers, Mr. Sok and Mr. Nop,

are my role models,” says Vithu. “Whenever I needed help, I could ask my teachers. They always helped me and gave me extra lessons. I want to become a great teacher just like them one day.”

Our sustainable education model allows us to build schools and support communities over time, until they are ready to run their own schools with government support. This means we can reach even more remote, marginalised areas around the world with the quality education they deserve. True change takes time, dedication and the hard work of entire communities.

The Roy community, and many others like them, have embraced the support of United World Schools and run with it. Children like Vithu are at the forefront of a transformation which will be felt for generations.

Quality & inclusion



UWS student Preeti, Nepal

Access to education is only the first step in transforming lives. The key to giving children a bright future is providing a quality and inclusive education. This year, we continued to build on the significant progress we've already made in delivering an education that includes every child and gives them the skills they need to succeed in life.

In 2020, we focused on our approach to inclusion, taking the first steps on

our roadmap to making every learning environment more inclusive.

We're committed to providing quality inclusive primary education to all children within the communities we serve, while reducing the barriers to and within education for those most at risk of marginalisation, exclusion and underachievement.

We recognise that the hardest to reach children often face multiple

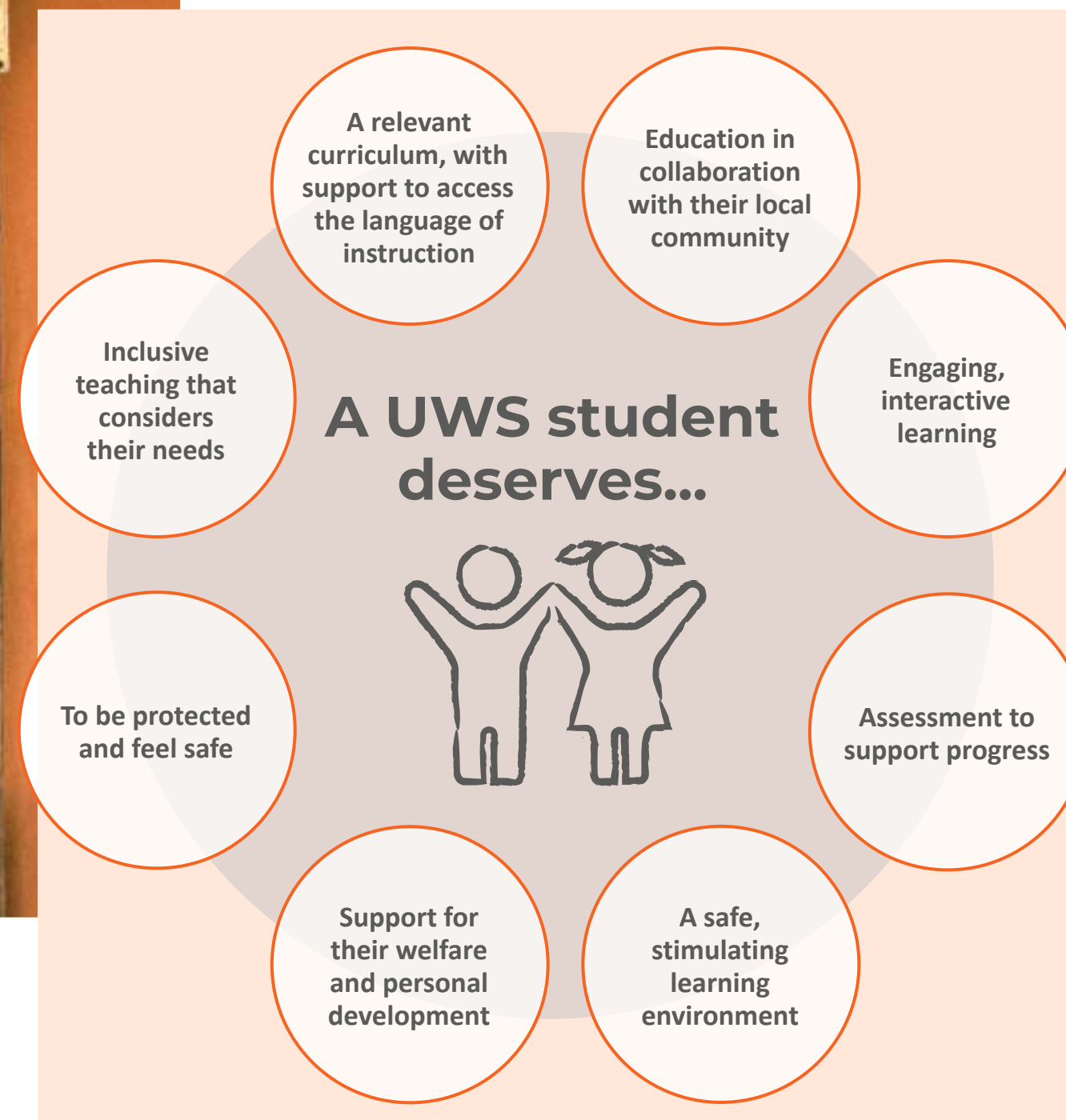
layers of exclusion due to factors such as gender, disability, poverty, ethnicity, religion and language. We work with students, schools and communities to provide targeted support, and to ensure all children have the chance to participate and learn in a safe and stimulating environment.

We are guided by principles for inclusion around three key themes:

Presence

All children should have equal opportunities to access a quality education. We actively reduce the barriers to entering education and work with families and communities to prevent children from dropping out.

“All children should have equal opportunities to access a quality education.”



Participation

We promote a positive ethos in schools, where differences between students are seen as opportunities to enrich learning, rather than as problems to be fixed. We work actively towards eradicating all forms of discrimination and we ensure the curriculum is accessible to all students. This includes providing support to

access the language of instruction. In 2020, we were awarded the UNESCO King Sejong Literacy Prize for our work helping children to access education in their native language in Myanmar.

Achievement

We create a school environment that supports all students' learning, developing foundational skills,

including literacy, numeracy and key life-skills. We make learning engaging and interactive, promoting new ways of teaching that encourage student collaboration and choice. We have high expectations for all, nurturing individual skills and talents and encouraging students to continue their education after primary school.

2020 *in review*

January

- We enter the year with over 200 schools and plans to expand our educational outreach.

March

- Schools close and lockdowns start across Cambodia, Myanmar and Nepal. Our education teams begin distributing distance learning resources immediately.

April

- We launch our Covid-19 emergency appeal, which raises £247,000 towards our response on the ground.
- Simultaneously, we begin a public health campaign and start improving access to handwashing facilities within our partner communities.

"We are continuously asking our teachers and School Management Committees to spread positive messages, asking community members not to panic and to ask for help if they need it. Through our radio programmes, we are regularly reminding parents and children to wash their hands, to take care of children and elderly people, and stay safe at home."

Avinash Jha, UWS Nepal Education Director

- Our Global Citizenship Challenge kicks off, engaging our Partner School community around the world. With schools closed in almost every country, we share cross-curricular activities to complete at home. Our Partner School students continue to learn about global development and fundraise to support other children around the world.



Schools re-open in Nepal

May

- We launch our radio education programme in Nepal, collaborating with local radio stations to deliver lessons over the airwaves.
- We complete upgrades to water and handwashing facilities in 80% of our partner communities.

June

- Our supporters raise funds towards our Covid-19 response in our online summer auction.

August

- 20 cyclists pedal up to 100 miles across Sussex in aid of education, raising funds to support distance learning during the pandemic.



Sussex Cycle Challenge

September

- We're awarded the UNESCO King Sejong Literacy Prize for our work improving literacy rates in remote regions of Myanmar.

"United World Schools winning the UNESCO King Sejong Literacy Prize is an exceptional achievement. It is a tribute to UWS and their partners in Myanmar and especially the teachers, indigenous community and the school children themselves."

James Bridge, Secretary-General of the UK National Commission for UNESCO

- We launch our inclusion policy to build on our progress reaching the most marginalised children and to further focus on addressing barriers to learning as a result of gender, disability, ethnicity and extreme poverty.

October

- UWS Mude, one of our Nepal Schools, kicks off World Education Week, the world's largest education conference. Students and teachers around the world live-stream a panel held at the rural school.
- We are awarded the 'PIEoneer of the Year' award by Professionals In International Education for our work providing an accessible education to children in remote areas.

November

- We welcome our 1000th teacher to the United World Schools community. Moh Moh Lwin joins our incredible Myanmar team to deliver a great education to her students.

"This is a very new village where people migrate from different places. Even though all of the children are Lahu [ethnicity], they have different cultural practices and beliefs. As a teacher, I had to understand each child and their family so that the school can provide a familiar environment for the children."

Moh Moh Lwin, Teacher, Myanmar

- Schools reopen in Cambodia and Nepal and we welcome our students back to the classroom.



Distance learning, Myanmar

December

- We finalise and publish our updated theory of change and continue to invest in our monitoring, evaluation and learning systems. This sets us up to have more impact than ever in 2021 and ensure we are both providing quality education and demonstrating an impressive level of value for money.

Responding to coronavirus

When the pandemic struck and schools closed, we resolved to support our partner communities and ensure our students could still access education. We rapidly adapted our work to focus on providing distance learning and protecting families from coronavirus.

Water and hygiene upgrades

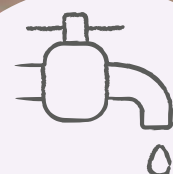
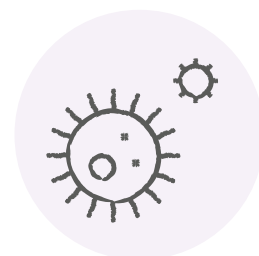
In many of the rural areas in which we operate, handwashing is not embedded into children's routines. This can be due to cultural norms and difficulties accessing running water. We have been prioritising health and hygiene within the communities we work with since we began operating. 2020 shone a light on how crucial a holistic approach to education is.

We provide hand-washing facilities and ensure access to safe water as part of every school development project. At the start of the pandemic, we revisited our hygiene facilities to ensure they were fit to help protect communities from coronavirus.

We upgraded many of the washing facilities to ensure that social distancing was possible and they met World Health Organisation guidelines for Covid-19 prevention. We opened them up to entire communities, while ensuring child protection standards were upheld, to empower communities to protect themselves from Covid-19.



Handwashing facilities, Myanmar



We upgraded 175 water, sanitation and hygiene facilities

Public health information

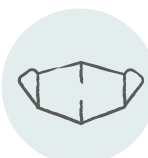
Alongside offering water and sanitation facilities, we also provide education about the importance of hygiene and sanitation.

At the beginning of the pandemic, many of the communities we work with were unable to access reliable information about the coronavirus. Factors including limited internet access and language barriers were preventing families from obtaining information about how to stop the spread.

We quickly launched a public information campaign to ensure all the communities we work with had trustworthy and accurate knowledge about the virus. We translated information into local languages and distributed posters and leaflets around villages. Our local teachers and education officers held socially distanced information sessions to share this information. They also delivered key wellbeing messages to communities.

We reached 148,000 people with essential information about coronavirus and advice on how to prevent the spread.

“We reached 148,000 people with essential information about coronavirus”



“I would like to go back to school now, but I can't”

Soe May's story

“My name is Soe May. I'm twelve years old. I live in a village in the Shan State of Myanmar and attend a UWS school. Because of covid, I have to stay home at the moment. I help my parents by cleaning the house and feeding the animals.

When covid began, the village leader spoke to us every day about what we can do to prevent illness, and also the new rules set by the government. My UWS teacher also taught us about Covid-19 almost every day. She used a loudspeaker so we could sit apart, and she showed us how to wash our hands. She told us that we have to use not only water but also soap and to wash our hands for about one minute.

“I shared everything my teacher taught me with my parents and they started to follow the advice.”

Before coronavirus, I washed my hands sometimes. But now, I wash my hands every morning after playing, after going to the toilet and after coming back from other houses in my village. I shared everything my teacher taught me with my parents and they started to follow the advice. I also taught my younger sister who always listens to me.

I have some books at home to read and write. I often read my books and sometimes draw pictures. I'm worried about my school. I would like to go to school now. But I can't.”



UWS student Soe May, Myanmar

Keeping children learning

UWS student Chimini, Nepal

Distance learning

In March, governments closed schools across Cambodia, Myanmar and Nepal. Internet and smartphone access levels are extremely low within the rural communities we partner with, meaning it is challenging to reach them with virtual lessons. Nonetheless, our education teams developed a variety of accessible programmes to ensure children could continue to learn during the pandemic. Throughout the school closures, our students have shown their determination to access an education despite the obstacles.

In Myanmar, teachers conducted outdoor classes with small groups of students, in line with government guidance. These lessons prioritised teaching key concepts and students were then given independent work and project-based learning to complete at home.

In Cambodia, our community teachers went from doorstep to doorstep to deliver worksheets and check in on student wellbeing.

In Nepal, fewer than half of households in the communities we work with have access to the internet. However 85% of them have a radio. We began teaching a daily lesson over a handful of local radio stations, with prompts for further homework. Soon, 10,000 children were listening each day and more radio stations wanted to broadcast our work. Within weeks, we were working in collaboration with 10 local radio stations across Nepal.

We reached 23,000 children with radio education in Nepal, with over 19,000 of those children not in UWS schools.

Ensuring every child returns to school

At the height of the pandemic, the UN warned that 24 million children may never go back to school. This was on top of the 258 million children already out-of-school.

The children from the most marginalised backgrounds are the ones who are least likely to return to school. The economic strains of the

pandemic often means they need to work to support their families instead of attending lessons. Girls are at higher risk of marrying young.

We're working closely with parents to encourage them to send their children back to school. This includes household engagement visits and running exciting back-to-school campaigns within communities to encourage them to see the transformational value of education.

We're providing further training to our teams so they can identify the children most at-risk of not returning to school. We'll then provide direct support to these children and their families to support them to return to the classroom. This includes providing additional learning materials, flexible learning options and awareness lessons.

Celebrating local teachers

The pandemic has shone a spotlight on the essential and life-changing work that teachers do. Our quick and flexible response to the pandemic was only successful thanks to our network of teachers who have worked tirelessly to support their students and communities. From delivering homework to holding information sessions to conducting lessons via radio and loudspeakers, their commitment is ensuring that every child receives the education they deserve.

“The pandemic has shone a spotlight on the essential and life-changing work that teachers do”

Educating, no matter what

Nabina, UWS Teaching Fellow, Nepal

“I’ve been teaching with UWS for over two years now. Here at UWS Khamare School, there are 132 pupils from 4 to 16 years old. When the lockdown began in Nepal, urban schools started teaching online and it hit us: how were we going to teach these children in rural and remote areas?”

We knew fewer than half of households have access to the internet in the communities we serve. We had to innovate fast to ensure that Covid-19 would not widen already existing inequity. We turned to a medium many might consider old-fashioned: radio. Over 85 per cent of households within the communities we work with have a radio. So we started a daily radio programme, Hamro Kakshya, initially with the aim of targeting UWS pupils.

However, these broadcast lessons became very popular. They are now transmitted on 10 local FM stations across two regions, reaching 23,000 children. A quarter of these are UWS pupils. It was a steep learning curve but I and nine other teachers, all working

“We were concerned that not every child would come back to our schools”



Nabina planning radio lessons, Nepal



from home, did our best to adapt to this new style of teaching.

The children were very excited to hear their teacher's voice and name on the radio stations, but they missed going to school. When it was time to return in September, we had to alternate the year groups to observe social distancing. Children had to come to school every other day. Lots of them were asking: “Please, please, can we come to school daily?”

This was so pleasing to see, but education in our villages is new. We were concerned that not every child would come back to our schools after such a long break. I started doing home visits for the most vulnerable families; to see the children, talk to their parents, identify their problems and work out how we could bring them back to school.

I feel that when children miss out on school, they miss out on their childhood. They have lots of heavy responsibilities at home, so it's hard for them to be creative, think of a brighter future or dream beyond their village.”

In December 2020, Nabina's full story was featured in the Times Educational Supplement. Read the full story on our website.

UWS in 2021



UK Aid Match, Happily Ever Smarter Appeal

By the end of 2021, our goal is to transform 50,000 lives through quality education.

That means that we're aiming to enrol over 8,000 more out-of-school children into education for the first time, as well as maintaining around 250 schools and Community Learning Sites for our existing students. We are planning for major

growth into new regions of Cambodia and Nepal, as well as continuing to support our existing students in Myanmar. Our ambition is to expand our programmes into a fourth country in the next 12 months, as our vision is to teach the unreached across the globe and reach over 250,000 children by the end of 2030.

Bouncing back from Covid-19, we're focusing not only on the number of children reached but also on the quality of education we provide. We're doing this by implementing our inclusive education policy across schools and improving each school with world-class standardised NFER (National Foundation for Educational

Research) assessments, so that we can monitor and continuously improve our standards of education. We are also working towards gaining the highly regarded Keeping Children Safe child protection accreditation, to ensure our safeguarding procedures are rigorous.

We're also excited to be running our first ever UK Aid Match campaign in 2021, which will be focused on helping children across Nepal, Cambodia and Myanmar to gain access to the quality education that will help them to live 'Happily Ever Smarter'. During a three month period the UK government will double all donations from UK donors up to £2m.

We will be featured as part of BBC Radio 4's winter fundraising campaign in 2021. We are working to gradually amplify our voice as a leader within the education and development sector.

We have big ambitions for 2021, but an even bigger sense of gratitude to every one of our supporters who has helped us on our journey so far.

"We have big ambitions for 2021"



Expanding into the USA

UWS student Amir walks to school, Nepal

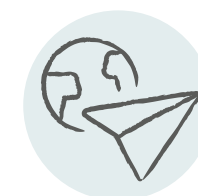
In February 2020, United World Schools launched United World Schools USA (UWS-USA), a U.S.-based 501(c)(3) not-for-profit, to unlock the reach and resources of the United States as we expand our mission "to teach the unreached".

The launch began a 12-month exploratory process in which UWS and USA-USA co-developed a U.S. strategic operating framework, secured funding commitments from a wide range of U.S. donors, and recruited a founding US-based Board of Directors.

UWS-USA's mission is not only to raise resources and profile within the United States for the United World Schools global goal of ensuring that every child everywhere has access to quality education and classrooms, but also to expand the reach of the UWS partner school program to all 50 U.S. states. By creating a national network of emerging global citizens through the partner school program, UWS-USA will help ensure next-generation Americans value the U.S. tradition of positive engagement with the world.

Former UWS global Chairman Chris Outram was named founding Chair of UWS-USA. At this launch, Mr. Outram stated, "The U.S. has long been the leading power in inclusive global development, so

I could not be more pleased to be fully launching operations in the U.S... it is my hope that this expansion will allow us to make generational change possible for thousands of children who are particularly vulnerable in this difficult time in global history." Mr. Outram has been joined on the Board by six founding Directors, who in 2021 will support the nurturing of UWS-USA into a dynamic organization that will become a key driver of UWS' growth journey.



"UWS-USA will help ensure next-generation Americans value the U.S. tradition of positive engagement with the world."

Thank you

In 2020, our community raised an incredible £2.7 million for education.

Thank you to everyone who contributed to this including school sponsors, fundraisers, companies, institutional funders and individual supporters. Your contributions are helping children living in some of the world's poorest regions to navigate the pandemic and continue to access the education they need to break the cycle of poverty.

Over the past year, we have been inspired by the commitment of our global Partner School network. Despite facing interruptions to their own education, students around the world have continued to show their commitment to helping others receive an education.

We would also like to thank our board of trustees, who offer their time and expertise to oversee the governance of our work and guide our long-term strategy.

Thank you also to everyone who has volunteered their time, skills and resources to support our work.

Because of supporters like you, we're closer to creating a world where every child receives the education they deserve.

"I was drawn to UWS by the efficiency of the organisation. There really is a desire for this charity to be run to the best professional standards. We emphasise that we use local resources to the maximum. Whether it's how we go about building schools or how we go about staffing, it's very much a non-classical model. We don't recruit people from the Western world and then deposit them in rural communities."

Matthew Lester, UWS Trustee and long-term supporter

Global Guardians

Our Global Guardians are a community of individuals and organisations who are committed to supporting equal access to education and creating long-term change. They pledge a minimum donation of £5,000 per year for three years and trust us to use it where it will have the most impact.

The impact of our Global Guardians is exceptional. Their vital funding supports our operational costs and enables our organisation to grow and reach more children.

We'd like to say a particular thank you to all of our Global Guardians for continuing to believe in us during a universally challenging year.



UWS student Kanchi and her best friend, Nepal

Our partnerships

Through what has been an immensely tough year, our generous funders have continued to support our programmes, helping us reach more children than ever with quality, inclusive education.



Trusts and Foundations

The Stavros Niarchos Foundation (SNF) has been instrumental in supporting our education continuation through Covid-19. With SNF's support, we were able to deliver a distance learning programme during school closures to over 35,000 students. SNF's funding also helped us work towards, and implement, safe school reopenings in Cambodia.

"A young person's education is not something you can put a pin in and come back to later when it's convenient, which is why it's so important that, in spite of the obstacles posed by the pandemic, United World Schools found a way to continue its work while prioritizing public health. The organization's outlook and willingness to go where no other is working was a clear match for SNF's pandemic relief initiative, which focuses on meeting critical immediate needs while also looking to long-term recovery and growth."

Ange Munyakaz, SNF Program Officer



Companies and organisations

Staff from our network of corporate partners have shown their support for UWS through volunteering, fundraising, and spreading awareness. One of our newest corporate partners, the TEFL Academy, hosted a live-streamed event featuring our Nepal Country Director Surya Karki. They also give every person attending one of their online courses the chance to add a donation to the course cost for seamless fundraising.

Global Mobility Executive, another of our committed corporate partners, have taken on cycling challenges, running challenges, and championed UWS's work internally and externally through a number of events.

Tropic Skincare have gone above and beyond in their support for United World Schools this year. Tropic ambassadors continued to fundraise and spread awareness about the need for education in rural and marginalised communities. Tropic has now funded over 2 million days of education and our partnership is stronger than ever.



Students in classroom, Cambodia



Fundraisers and events teams

Our challenge events continued to be a success in 2020, including our Sussex 100 cycle challenge and Santa Run. Our Sussex 100 cycle challenge saw participants take on 50-100 miles of cycling across the picturesque South Downs. With the view of the English Channel in the distance, the team covered impressive distances to raise over £18,000.

In December, Team UWS donned their festive finery to take part in a socially-distanced 5k around Regent's Park, with supporters joining from all over the UK.



Partner schools

Dulwich College Singapore is one of our many partner schools that has continued to fundraise for UWS, despite the challenges of Covid-19. Students managed to raise over £22,000 through various activities including a sponsored walk.

At the British School of Paris, students and parents came together to test their sewing skills, making face coverings to sell to friends and family. They helped to keep their community safe and raise much-needed funds for other students at the same time.



Our student ambassadors

Our community of over 100 student ambassadors across the globe have continued to amaze us this year. Through their resilience, determination and passion for education, they have continued to champion our cause in their schools and communities, spreading the word, and raising funds. Anita Kutty is one of our student ambassadors based in Berlin. She shared her passion for education at our International Women's Day event. "I knew I had to get my school community involved to show how much of an impact we could make working together," she said. "UWS's school partnership programme made this possible".

Meet Surya

Headteacher at UWS Helabuwesi School Nepal

"My name is Surya Bahadur Thapa. I'm the Principal of UWS Helabuwesi School and a class teacher. Four years ago, UWS renovated an old building in the village to develop a school, along with improving the toilets and providing drinking water.

Before the school was here, children in this village had to walk for 2 hours to reach the nearest school. The younger children couldn't walk that far, so most children only started going to school when they were 8-10 years old. They didn't like being part of a class of children younger than them so there were many drop-outs. Now we are able to send our children to school from an early age.



"In today's world, education is the basis of development."

They've run teacher trainings, which have covered topics like scientific teaching and motivating students. This has created an appealing environment for the students – they are free from the fear of punishments and have started perceiving the school environment as fun. The teachers are now motivated to be genuinely involved in improving the school environment. We have a periodic assessment system to evaluate students according to the pre-determined objectives and this has really improved the level of teaching here.

There are currently about 11 classes here with 159 students registered in total. This includes children from other districts, who walk here for up to two hours, because of our good teaching practices. More importantly, the community has been motivated to get more involved with the school - a wonderful change.

In today's world, education is the basis of development. If there is no development and change in the education sector, we cannot achieve any progress."



UWS Helawubesi School, Nepal



"My teachers help me lot, and I learn a lot of interesting new things every day. My favourite subject is Mathematics. I feel great when I am able to help my friends with studies too. I like my teachers because they love me."
Kanchi, 11, student at UWS Heluwabesi School

Finance Summary

UWS student Preeti, Nepal

We were able to maintain a good level of income in 2020 despite the challenges caused by Covid-19, reflecting a more diverse donor base and a strengthened team. This enabled us to maintain high quality teaching and learning in our schools; and as a result, alongside a focus on cost reduction in a number of areas, we had a small in year deficit of £(82)k (2019: £(76)k deficit).

Total income fell from £3,137k in 2019 to £2,762k in 2020, reflecting a reduction in our Events income and income derived from charitable activities. However, we were able to grow our income from donations by over 3% year on year - from £2,633k to £2,715k as we adapted well to the challenging fundraising environment, and we were also able to attract new donors for specific Covid related appeals that we launched during the year.

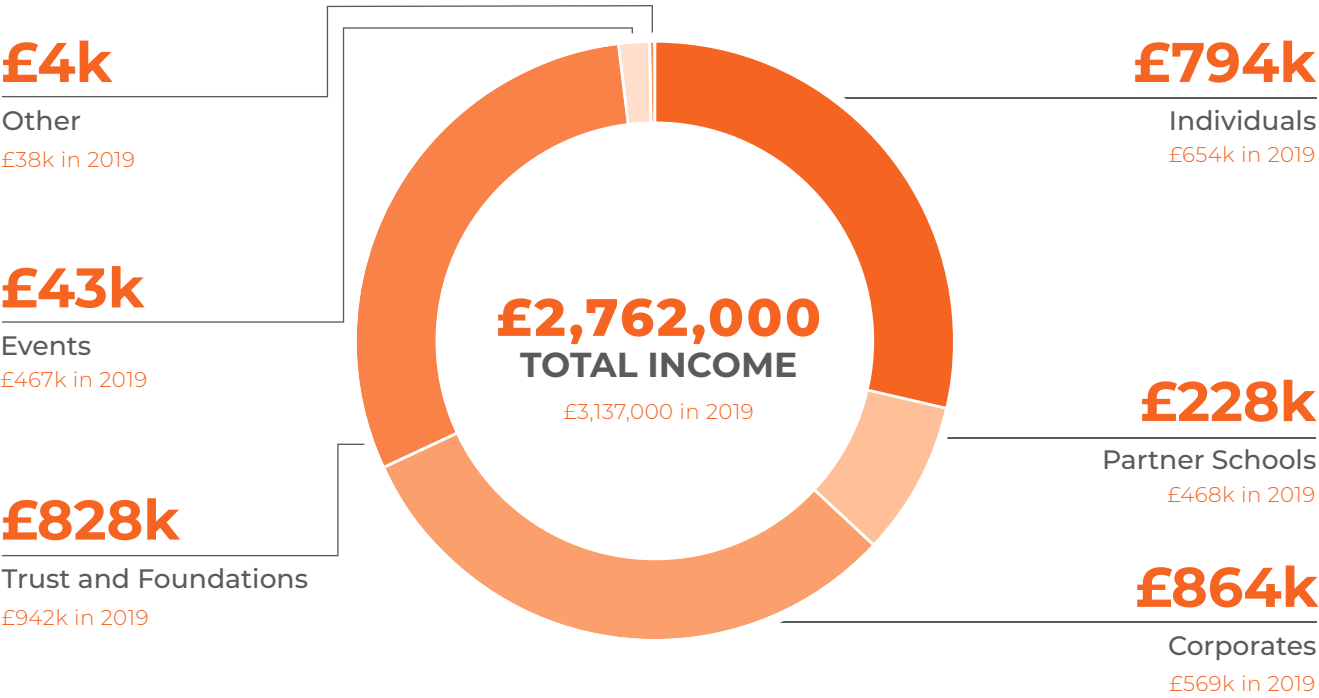
Total expenditure also reduced from £3,213k in 2019 to £2,843k in 2020, a reduction of over 11%. Following the emergence of the Covid-19 pandemic in the first quarter of 2020 we successfully implemented a number of actions to reduce our expenditure, including salary sacrifices by many of the UWS global team, showing an amazing commitment to the UWS cause to preserve our reserves and therefore help protect the long term viability of the charity. We also scaled back slightly our building programme for new schools.

Total reserves therefore reduced to £1,220k

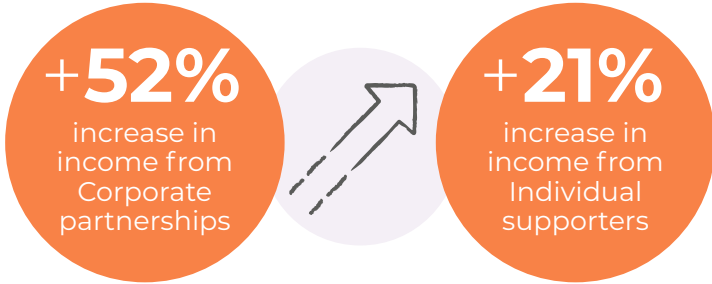
at the end of 2020 from £1,301k, reflecting the £82k in year deficit. Our policy is to maintain free reserves (effectively reserves that UWS can spend on any of our charitable purposes) equivalent to at least three months of running costs. Free reserves as at 31st December 2020 of £980k represented approximately 5 months of running costs (2019: 6 months). These additional reserves provide UWS with a degree of flexibility to continue with future school builds, support existing schools and their associated commitments, whilst also giving us additional headroom to cope with any significant external factors impacting our ability to generate income and deliver programmes.

| £000s | 2020 | 2019 |
|----------------------|------------|--------------|
| Total funds | 1,220 | 1,301 |
| Less: | | |
| Restricted funds | 133 | 0 |
| Fixed assets | 94 | 120 |
| Operating lease | 13 | 4 |
| Free reserves | 980 | 1,177 |

Finance **income**

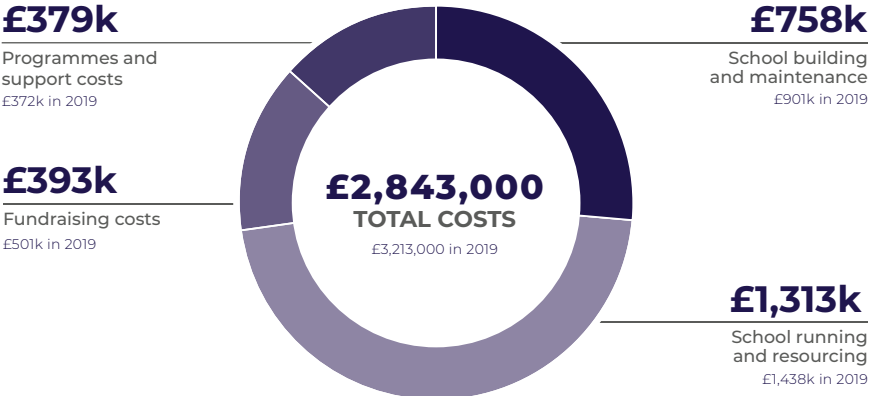


During 2020 we were very successful in growing income from our Corporate partnerships and our committed Individual supporters, which grew by 52% and 21% respectively. These were offset by a reduction in Partner School income, reflecting the impact of Covid-19 on the ability of partners to raise funds, and a slight reduction in overall Trust and Foundation income. The latter was due to a significant reduction in income from one of our largest supporters, EAC, as the previous contract finished in 2019. We are pleased to be working with EAC again in 2021 and beyond, with a particular focus on supporting children at risk from dropping out of education. Excluding income from EAC, our Trust and Foundation income grew by 80% year on year, supported by significant new donations from three large funders – The Vitto Foundation, The Lego Foundation and The Stavros Niarchos Foundation. We delivered a successful gala dinner towards the end of 2019, which is only repeated every couple of years. Events income was therefore much lower in 2020. Other income also fell year on year as we were not able to offer donor trips to our programmes for the majority of the year, due to the Covid-19 pandemic. 34% of the income we received in 2020 (2019: 49%) was unrestricted, meaning the charity can use these funds as we see fit to further our aims. This % reduction in 2020 was partially due to the reduction in Events income, and also our focus in 2020 on specific fundraising campaigns in response to Covid-19.



Finance **expenditure**

For UWS 2020 was a year of getting the best value for money across all areas. Due to the direct impact of Covid-19 we reduced our underlying costs by over £450k year on year – with half of this reflecting a reduction in school builds and the remainder coming from a combination of salary sacrifices and furlough payments (circa £80k), the lack of travel by donors, trustees and staff to projects and the tightening of other discretionary expenditure (circa £150k). When normal operations resume we expect many of these reductions to reverse, although we will continue to maintain tight cost controls. Whereas we reduced the number of schools built in the year, we instead focused a lot of our building work on successfully improving the WASH facilities in each of our communities to meet World Health Organisation standards – a direct investment in facilities of over £184k. Costs associated with the running and resourcing of schools also fell year on year as we became more efficient in purchasing resources, were able to transition the first tranche of teachers and schools to the Government in Cambodia, and we reduced non-essential activities. All of these actions supported a reduction in our core cost per child metric in 2020. In addition, our overall Fundraising costs reduced year on year – we did not hold a gala dinner in 2020 and focused our activity on generating a better return on investment. Our average headcount in fundraising remained the same year on year with a team on average of nine fundraisers, although we did make an underlying investment in senior fundraising staff in the year. As a result we were able to generate a better fundraising return on investment of £7.0 in 2020, up from £6.3 in 2019. Our total Programmes and Support costs were broadly flat year on year. We invested in additional monitoring and evaluation and programme development resource in the year, which allowed us to deliver the Education and WASH programmes to support many more children and communities in response to Covid-19. We were successful with several new statutory funding bids which will be



| Key Performance Indicator | 2020-21 | 2019-20 |
|--|-----------|-----------|
| Number of schools active (at year end) | 226 | 208 |
| Number of children enrolled (at year end) | 20,322 | 23,334 |
| Number of children enrolled (cumulative to year end) | >40,000 | >35,000 |
| Average direct cost to build a school (excluding community learning sites) | £23,683 | £22,637 |
| Average cost of education per child per year (full cost recovery) | £73 | £85 |
| Fundraising return on investment | £7.0 : £1 | £6.3 : £1 |
| Pence in £ on charitable activities | 86p | 84p |

Footnote (to above table) The number of children enrolled at the year end was lower than prior year due to a change in the timing of school openings reflecting the Covid pandemic. We had enrolled well over 23,000 children by the end of March 2021.



delivered in 2021 and beyond; and we also invested in the early development of our new US entity, UWS USA Inc. As a result of these investments our Programmes team costs increased by approximately £50k year on year. Excluding these additional investments our underlying Programmes and Support costs also fell year on year by just over 10%. The average direct cost to build a school again increased slightly from £22.6k to £23.6k, continuing to reflect some inflationary pressures on materials and labour costs in our operating countries. However, we are pleased to report that the average annual cost to educate a child fell 14% from £85 to £73, reflecting the cost savings we were able to generate in

the year, alongside greater efficiencies as UWS gets larger. This was particularly apparent in our largest country of operation, Cambodia, where the average cost per child fell by 18% from £78 to £64. In 2020 we were able to increase our % of spend on charitable activities compared to prior years - with 86p out of every £1 spent directly on charitable activities (2019: 84p). The healthy increase between years principally reflects the improvements in our fundraising performance, the delivery of the programmes in response to Covid-19 where a higher proportion of spend was focused on the front line, and an overall focus by everyone across UWS in getting value for money in everything we do.

Statement of accounts

United World Schools

Financial Statements

Period Ended 31 December 2020

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United World Schools

Charity Reference and Administrative Details

Period Ended 31 December 2020

| | |
|--|--|
| Charity registration number | 1187721 |
| Trustees | Peter Taylor (Chairman) Fergus Brownlee Stuart Fletcher Matthew Lester (Honorary Treasurer) Chris Outram Vicky Unwin John Siebert Nirmala Rao Boudewijn Peter Theodoor de Wit Jean-Paul Rigaudeau Gareth Weir Nigel Cumberland Janet Morris Deborah Ball Ronald Graham |
| UK executive team | Tim Howarth (Chief Executive Officer) Richard Chadwick (Finance & Operations Director) Peter Campling (Global Programmes Director) Sofeena Lalani (Development Director) |
| Cambodia, Myanmar & Nepal teams | Nan Sitha (Cambodia Country Director) Surya Karki (Nepal Country Director) Dr Kay Khaing Win (Myanmar Country Director) |
| Overseas executives | Greg Houston (UWS USA Executive 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

Period Ended 31 December 2020

The Trustees present their report and the audited financial statements of the charity for the period ended 31 December 2020. 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 in October 2019.

Trustees of the charity

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

Chris Outram (Chairman to 10/06/20)
Stephen Warshaw (Retired 09/12/20)
Vicky Unwin
John Siebert
Fergus Brownlee
Ronald Graham
Stuart Fletcher
Matthew Lester (Honorary Treasurer)
John Lovering (resigned 30/09/20)
Nirmala Rao
Boudewijn Peter Theodoor de Wit
Jean-Paul Rigaudeau
Gareth Weir (appointed 09/12/20)
Nigel Cumberland (appointed 09/12/20)
Janet Morris (appointed 09/12/20)
Deborah Ball (appointed 09/12/20)
Peter Taylor (Chairman from 10/06/20 – appointed 10/06/20)

Objectives and activities

The objectives of the charity are to build 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 build 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 11 to 23 of the Annual Report.

Financial review (including reserves policy)

A review of the charity's activities and financial position is summarised on pages 31 to 33 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 above three months of running costs. Free reserves at 31 December 2020 of £980,092 exceeded this by £379,076.

United World Schools

Trustees' Annual Report

Period Ended 31 December 2020

Structure, governance and management

United World Schools was registered with the Charity Commission on 3 February 2020, under registered number 1187721. It is a Charitable Incorporated Organisation (CIO) and is governed by its constitution.

On the 31 December 2020 all the assets and liabilities of United World Schools, registered charity number 1129537, were transferred to United World Schools, registered charity number 1187721, under the terms of a Transfer Agreement dated 8 October 2020.

Following submission of the financial statements for the year ended 31 December 2020, United World Schools, registered charity number 1129537, will be dissolved.

The employees of United World Schools, registered charity number 1129537, will then be employed by United World Schools, registered charity number 1187721, in accordance with TUPE.

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 Officer (a non-Board member), who leads the UK Executive Team comprising the Development Director, the Global Programmes Director and the Finance & Operations Director. The Global 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 operated two sub-committees during 2020 – 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.

United World Schools

Trustees' Annual Report

Period Ended 31 December 2020

The major risks (and the plans to mitigate) which were discussed by Trustees at the Audit and Risk Committee and the full Board since the beginning of 2020 are as follows:

| GLOBAL RISKS | ADDITIONAL COUNTRY RISKS |
|--|---|
| 1. Child protection or safeguarding issues | 1. Health and Safety risks (e.g. major traffic accidents impacting UWS staff or volunteers) |
| 2. Lack of funding for core costs and in country running costs (including the mix of unrestricted vs restricted funding) | 2. Health threats in country (e.g. impact of COVID-19 pandemic) |
| 3. Slower than expected transition of schools to Government control | 3. Criminality in the form of fraud, bribery and corruption |
| 4. Increased staff turnover alongside the lack of succession planning and leadership diversity | 4. Political instability leading to a disruption to activities |
| 5. Incomplete or inaccurate monitoring or evaluation of UWS projects | 5. The impact of natural disasters (e.g. landslides or earthquakes) in remote communities |
| 6. Failure in IT security and / or data protection | |

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. During 2020 Trustees were not able to visit projects due to COVID-19 restrictions, however these visits are expected to re-start later in 2021.

On 20 April 2020, with the agreement of the Trustees, a tax exempt public charity was incorporated in the United States of America. United World Schools USA Inc. independently ran in parallel to the UK charity whilst under common control during 2020. Accordingly, the results of United World Schools USA Inc. for the period to 31 December 2020 are consolidated in these financial statements. Going forward, the composition of the board of United World Schools USA Inc. will change to move towards divesting control from the UK charity to an independent US board.

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).

United World Schools

Trustees' Annual Report

Period Ended 31 December 2020

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 2019 (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



Peter Taylor, Chairman

Date: 19 May 2021



UHY Hacker Young LLP
14 Park Row
Nottingham NG1 6GR

United World Schools

Independent Auditor's Report

Period Ended 31 December 2020

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

Opinion

We have audited the financial statements of United World Schools (the parent charity) and its subsidiary (the group) for the period ended 31 December 2020 which comprise the Group Statement of Financial Activities, Group Balance Sheet, Charity Balance Sheet, Group Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2020 and of the group's incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statement is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

United World Schools

Independent Auditor's Report

Period Ended 31 December 2020

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 37, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

United World Schools

Independent Auditor's Report

Period Ended 31 December 2020

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to occurrence and accuracy of expenditure on charitable activities.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, analytical review and sample transaction testing of expenditure of charitable activities, enquiries of management, testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



UHY Hacker Young LLP
14 Park Row
Nottingham NG1 6GR

United World Schools

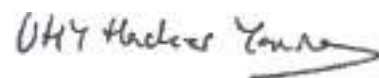
Independent Auditor's Report

Period Ended 31 December 2020

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



UHY Hacker Young LLP
Chartered Accountants and Statutory Auditor

Date: 19 May 2021

UHY Hacker Young is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

United World Schools

Group Statement of Financial Activities (Including Income and Expenditure Account)

Period Ended 31 December 2020

| | | | 2020 (*) | | 2019 (*) |
|------------------------------------|------|--------------------|------------------|-----------|-----------|
| | | Unrestricted funds | Restricted funds | Total | Total |
| | Note | £ | £ | £ | £ |
| Income and endowments from: | | | | | |
| Donations and legacies | 2 | 907,539 | 1,806,978 | 2,714,517 | 2,632,677 |
| Charitable activities | 3 | - | 3,896 | 3,896 | 34,871 |
| Other trading activities | 4 | 43,046 | - | 43,046 | 466,822 |
| Investments | 5 | 302 | - | 302 | 2,700 |
| Total income | | 950,887 | 1,810,874 | 2,761,761 | 3,137,070 |
| Expenditure on: | | | | | |
| Charitable activities | 6 | 487,393 | 1,962,532 | 2,449,925 | 2,711,670 |
| Raising funds | 7 | 393,447 | - | 393,447 | 501,161 |
| Total expenditure | | 880,840 | 1,962,532 | 2,843,372 | 3,212,831 |
| Net income / (expenditure) | | 70,047 | (151,658) | (81,611) | (75,761) |
| Transfers between funds | 17 | (284,205) | 284,205 | - | - |
| Net movement in funds | 17 | (214,158) | 132,547 | (81,611) | (75,761) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 17 | 1,301,330 | - | 1,301,330 | 1,377,091 |
| Total funds carried forward | 17 | 1,087,172 | 132,547 | 1,219,719 | 1,301,330 |

(*) Combination of United World Schools, registered charity number 1129537, see note 22 for details.

All income and expenditure derive from continuing activities.

The notes on pages 49 to 63 form part of these financial statements.

United World Schools**Group Balance Sheet****Period Ended 31 December 2020**

| | Note | 2020(*) £ | 2019(*) £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 94,478 | 119,826 |
| Current assets | | | |
| Debtors | 14 | 13,464 | 19,875 |
| Cash at bank and in hand | | <u>1,183,315</u> | <u>1,232,645</u> |
| | | 1,196,779 | 1,252,520 |
| Creditors: amounts falling due within one year | 15 | (71,538) | (71,016) |
| Net current assets | | <u>1,125,241</u> | <u>1,181,504</u> |
| Net assets | | <u>1,219,719</u> | <u>1,301,330</u> |
| Charity Funds | | | |
| Restricted funds | 17 | 132,547 | - |
| Unrestricted funds | 17 | 1,087,172 | 1,301,330 |
| Total charity funds | 17 | <u>1,219,719</u> | <u>1,301,330</u> |

(*) Combination of United World Schools, registered charity number 1129537, see note 22 for details.

The notes on pages 49 to 63 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees on 19 May 2021.

Signed on behalf of the Board of Trustees



Peter Taylor, Chairman

Charity registration number: 1187721

United World Schools**Charity Balance Sheet****Period Ended 31 December 2020**

| | Note | 2020 (*) £ | 2019 (*) £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 94,478 | 119,826 |
| Current assets | | | |
| Debtors | 14 | 13,464 | 19,875 |
| Cash at bank and in hand | | <u>1,092,988</u> | <u>1,232,645</u> |
| | | 1,106,452 | 1,252,520 |
| Creditors: amounts falling due within one year | 15 | (58,606) | (71,016) |
| Net current assets | | <u>1,047,846</u> | <u>1,181,504</u> |
| Net assets | | <u>1,142,324</u> | <u>1,301,330</u> |
| Charity Funds | | | |
| Restricted funds | 17 | 132,547 | - |
| Unrestricted funds | 17 | 1,009,777 | 1,301,330 |
| Total charity funds | 17 | <u>1,142,324</u> | <u>1,301,330</u> |

(*) Combination of United World Schools, registered charity number 1129537, see note 22 for details.

The notes on pages 49 to 63 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees on 19 May 2021.

Signed on behalf of the Board of Trustees



Peter Taylor, Chairman

Charity registration number: 1187721

United World Schools

Group Statement of Cash Flows

Period Ended 31 December 2020

| | Note | 2020 (*) £ | 2019 (*) £ |
|--|-----------|------------------|------------------|
| Net cash flow from operating activities | 19 | 7,125 | 30,234 |
| Cash flow from investing activities | | | |
| Payments to acquire tangible fixed assets | | (13,860) | (38,673) |
| Net cash flow from investing activities | | <u>(13,860)</u> | <u>(38,673)</u> |
| Net increase in cash and cash equivalents | | <u>(6,735)</u> | <u>(8,439)</u> |
| Cash and cash equivalents at 1 January 2020 | | 1,232,645 | 1,270,691 |
| Exchange differences | | (42,595) | (29,607) |
| Cash and cash equivalents at 31 December 2020 | | <u>1,183,315</u> | <u>1,232,645</u> |
| Cash and cash equivalents consists of: | | | |
| Cash at bank and in hand | | 1,183,315 | 1,232,645 |
| Cash and cash equivalents at 31 December 2020 | | <u>1,183,315</u> | <u>1,232,645</u> |

(*) Combination of United World Schools, registered charity number 1129537, see note 22 for details.

The notes on pages 49 to 63 form part of these financial statements.

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

1 Summary of significant accounting policies

(a) General information and basis of preparation

United World Schools is an incorporated charity, registered in England & Wales under registration number 1187721. The address of the registered office is given in the charity information on page 36 of these financial statements. The nature of the charity's operations and principal activities are building 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) published in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice.

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) published in October 2019 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) Merger accounting

These financial statements cover the charity's first accounting period, from registration with the Charity Commission on 3 February 2020 to 31 December 2020. However, in accordance with the merger accounting rules set out in the Charities SORP, comparative amounts are stated which reflect the results of the combining charity, United World Schools, registered charity number 1129537. Further details are included in note 22.

(c) 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.

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.

(d) Basis of consolidation

The financial statements consolidate the results of the charity and the subsidiary under common control, United World Schools USA Inc., on a line by line basis as required by FRS 102.

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

(e) 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.

(f) 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.

(g) 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 note 8.

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

(h) 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.

(i) 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.

(j) 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.

This departure has no impact on the net income or expenditure for the year as monetary assets and liabilities denominated in a foreign currency are re-translated 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 9 to the financial statements.

(k) 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.

(l) 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

Period Ended 31 December 2020

(m) 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.

(n) 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

| | 2020 £ | 2019 £ |
|----------------------|------------------|------------------|
| Individuals | 794,191 | 654,307 |
| Partner schools | 228,283 | 467,806 |
| Corporate | 864,090 | 568,504 |
| Trusts & foundations | 827,953 | 942,060 |
| | <u>2,714,517</u> | <u>2,632,677</u> |

Income from donations and legacies was £2,714,517 (2019 - £2,632,677) of which £1,806,978 (2019 - £1,579,024) was attributable to restricted funds and £907,539 (2018 - £1,186,886) was attributable to unrestricted funds.

3 Income from charitable activities

| | 2020 £ | 2019 £ |
|------------------------|--------------|---------------|
| Income from volunteers | 3,896 | 34,871 |
| | <u>3,896</u> | <u>34,871</u> |

Income from charitable activities was £3,896 (2019 - £34,871) of which £3,896 (2019 - £34,871) was attributable to restricted funds and £nil (2019 - £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

Period Ended 31 December 2020

4 Income from other trading activities

| | 2020 £ | 2019 £ |
|--------------------|---------------|----------------|
| Fundraising events | 43,046 | 466,822 |
| | <u>43,046</u> | <u>466,822</u> |

Income from other trading activities was £43,046 (2019 - £466,822) of which £nil (2019 - £nil) was attributable to restricted funds and £43,046 (2019 - £466,822) was attributable to unrestricted funds.

We held a Gala dinner fundraising event in November 2019, with the aim of raising funds to support the medium to long term objectives of the charity. The event cost £55,204 (see note 7) with an associated return on investment of 8.5 to 1. The event is organised by volunteers and staff.

5 Income from investments

| | 2020 £ | 2019 £ |
|---------------------|------------|--------------|
| Interest – deposits | 302 | 2,700 |
| | <u>302</u> | <u>2,700</u> |

Income from investment was £302 (2019 - £2,700) of which £nil (2019 - £nil) was attributable to restricted funds and £302 (2019 - £2,700) was attributable to unrestricted funds.

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

6 Analysis of expenditure on charitable activities

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Building costs | 403,778 | 647,216 |
| Building maintenance | 170,149 | 253,942 |
| Upgrades to WASH facilities | 184,014 | - |
| Local country salaries | 484,467 | 499,009 |
| Educational resources | 172,132 | 131,136 |
| Teachers' salaries | 251,024 | 274,716 |
| UWK project costs (Cambodia) | 11,441 | 22,873 |
| Travel & subsistence in country | 102,352 | 125,003 |
| Administrative costs in country | 37,283 | 74,288 |
| UK programmes and operations salaries | 311,858 | 261,603 |
| Volunteer costs | 10,578 | 51,474 |
| Vehicle hire, maintenance & running costs | 74,523 | 97,203 |
| Telephone / internet | 19,069 | 33,441 |
| Rent in country | 34,825 | 25,748 |
| Foreign exchange losses / (gains) | 35,255 | 13,309 |
| Depreciation | 36,680 | 42,300 |
| Pensions | 24,131 | 23,548 |
| Support and governance costs (see note 8 overleaf) | 86,366 | 134,861 |
| | <u>2,449,925</u> | <u>2,711,670</u> |

£1,962,532 (2019 - £2,288,910) of the above costs were attributable to restricted funds, and £487,393 (2019 - £422,760) of the above costs were attributable to unrestricted funds.

7 Analysis of expenditure on raising funds

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Charity portal fundraising fees | 2,919 | 6,149 |
| Fundraising event costs | 14,162 | 55,204 |
| UK salaries | 324,241 | 311,852 |
| Support and governance costs (see note 8 overleaf) | 52,125 | 127,956 |
| | <u>393,447</u> | <u>501,161</u> |

£Nil (2019 - £Nil) of the above costs were attributable to restricted funds, and £393,447 (2019 - £501,161) of the above costs were attributable to unrestricted funds.

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

8 Allocation of support and governance costs

| 2020 | Raising funds £ | Charitable Activities £ | Total £ |
|--|--------------------|----------------------------|----------------|
| UK rent | 11,038 | 9,265 | 20,303 |
| Travel & subsistence | 4,371 | 3,669 | 8,040 |
| Foreign exchange losses | 3,993 | 3,347 | 7,340 |
| Consultancy fees | 5,523 | 12,141 | 17,664 |
| Auditor's remuneration (see note 10 below) | 6,365 | 5,335 | 11,700 |
| Recruitment fees | 5,627 | 4,723 | 10,350 |
| Legal fees | 2,467 | 6,237 | 8,704 |
| Bank charges | 750 | 3,405 | 4,155 |
| Office supplies | 5,273 | 18,906 | 24,179 |
| Telephone and internet | 4,214 | 7,213 | 11,427 |
| Insurance | 1,129 | 10,972 | 12,101 |
| Depreciation | 1,375 | 1,153 | 2,528 |
| Total | <u>52,125</u> | <u>86,366</u> | <u>138,491</u> |

| 2019 | Raising funds £ | Charitable Activities £ | Total £ |
|--|--------------------|----------------------------|----------------|
| UK Rent | 16,680 | 12,018 | 28,698 |
| Travel & subsistence | 36,403 | 26,228 | 62,631 |
| Foreign exchange losses | 9,473 | 6,825 | 16,298 |
| Consultancy fees | 6,950 | 47,676 | 54,626 |
| Auditor's remuneration (see note 10 below) | 6,306 | 4,544 | 10,850 |
| Recruitment fees | 13,265 | 9,558 | 22,823 |
| Legal fees | 8,946 | 6,446 | 15,392 |
| Bank charges | 2,461 | 1,773 | 4,234 |
| Office supplies | 16,326 | 11,761 | 28,087 |
| Telephone and internet | 5,884 | 4,240 | 10,124 |
| Insurance | 5,262 | 3,792 | 9,054 |
| Total | <u>127,956</u> | <u>134,861</u> | <u>262,817</u> |

Support and 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 and country related costs which are all classified as charitable activities.

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

9 Net income / (expenditure) for the year

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

| | 2020 £ | 2019 £ |
|---------------------------------------|-----------|-----------|
| Depreciation of tangible fixed assets | 39,208 | 42,300 |
| Net losses on foreign exchange | 42,595 | 29,607 |

10 Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £11,700 (2019 – £10,850).

11 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2019: £Nil).

The Trustees did not have any expenses reimbursed during the year (2019 - £Nil).

The Trustees donated a total of £51,577 to the charity during the year (2019 - £321,142).

The total amount of employee benefits received by key management personnel were £302,859 (2019 - £344,040).

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

12 Staff costs and employee benefits

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

| | 2020 Number | 2019 Number |
|-----------------------|----------------|----------------|
| Raising funds | 9 | 9 |
| Charitable activities | 10 | 7 |
| | <u>19</u> | <u>16</u> |

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

12 Staff costs and employee benefits (continued)

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

| | 2020 £ | 2019 £ |
|---|----------------|----------------|
| Wages and salaries | 606,844 | 613,461 |
| Social security | 58,899 | 51,987 |
| Defined contribution pension costs | 24,131 | 23,548 |
| Government grants: Job retention scheme | (29,275) | - |
| | <u>660,599</u> | <u>688,996</u> |

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

| | 2020 Number | 2019 Number |
|-------------------|----------------|----------------|
| £60,001 - £70,000 | 1 | 1 |
| £70,001 - £80,000 | 1 | 1 |
| | <u>2</u> | <u>2</u> |

13 Tangible fixed assets

Group & Charity

Cost or valuation:

At 1 January 2020

Additions

At 31 December 2020

Depreciation:

At 1 January 2020

Charge for the year

At 31 December 2020

Net book value:

At 31 December 2020

At 31 December 2019

| Equipment £ | Motor vehicles £ | Total £ |
|----------------|------------------------|----------------|
| 10,939 | 257,494 | 268,433 |
| <u>6,136</u> | <u>7,724</u> | <u>13,860</u> |
| <u>17,075</u> | <u>265,218</u> | <u>282,293</u> |
| 5,581 | 143,026 | 148,607 |
| <u>2,528</u> | <u>36,680</u> | <u>39,208</u> |
| <u>8,109</u> | <u>179,706</u> | <u>187,815</u> |
| <u>8,966</u> | <u>85,512</u> | <u>94,478</u> |
| <u>5,358</u> | <u>114,468</u> | <u>119,826</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

Period Ended 31 December 2020

14 Debtors

Group & Charity

| | 2020 £ | 2019 £ |
|---------------|---------------|---------------|
| Prepayments | 3,737 | 9,573 |
| Other debtors | 9,727 | 10,302 |
| | <u>13,464</u> | <u>19,875</u> |

15 Creditors: amounts falling due within one year

Group

| | 2020 £ | 2019 £ |
|-------------------------------|---------------|---------------|
| Accruals | 33,078 | 53,993 |
| Other tax and social security | 24,432 | 13,532 |
| Pensions | 5,910 | 3,491 |
| Deferred income | 8,118 | - |
| | <u>71,538</u> | <u>71,016</u> |

Charity

| | 2020 £ | 2019 £ |
|-------------------------------|---------------|---------------|
| Accruals | 20,146 | 53,993 |
| Other tax and social security | 24,432 | 13,532 |
| Pensions | 5,910 | 3,491 |
| Deferred income | 8,118 | - |
| | <u>58,606</u> | <u>71,016</u> |

16 Operating lease commitments

Group & Charity

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:

| | 2020 £ | 2019 £ |
|-----------------|---------------|--------------|
| Within one year | 12,883 | 4,190 |
| | <u>12,883</u> | <u>4,190</u> |

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

17 Funds reconciliation

Unrestricted funds

General funds – 2020

Group

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Gains / (losses) £ | Closing balance £ |
|---------|----------------------|----------------|------------------|------------------|-----------------------|----------------------|
| General | 1,301,330 | 950,887 | (880,840) | (284,205) | - | 1,087,172 |
| | <u>1,301,330</u> | <u>950,887</u> | <u>(880,840)</u> | <u>(284,205)</u> | <u>-</u> | <u>1,087,172</u> |

Charity

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Gains / (losses) £ | Closing balance £ |
|---------|----------------------|----------------|------------------|------------------|-----------------------|----------------------|
| General | 1,301,330 | 859,387 | (866,735) | (284,205) | - | 1,009,777 |
| | <u>1,301,330</u> | <u>859,387</u> | <u>(866,735)</u> | <u>(284,205)</u> | <u>-</u> | <u>1,009,777</u> |

General funds – 2019

Group & Charity

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Gains / (losses) £ | Closing balance £ |
|---------|----------------------|------------------|------------------|------------------|-----------------------|----------------------|
| General | 1,366,052 | 1,523,175 | (923,921) | (663,976) | - | 1,301,330 |
| | <u>1,366,052</u> | <u>1,523,175</u> | <u>(923,921)</u> | <u>(663,976)</u> | <u>-</u> | <u>1,301,330</u> |

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

17 Funds reconciliation (continued)

Restricted funds – 2020

Group & Charity

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Gains / (losses) £ | Closing balance £ |
|--------------|----------------------|-------------|------------------|----------------|--------------------------|-------------------------|
| Cambodia | - | 911,720 | (852,203) | - | - | 59,517 |
| Myanmar | - | 81,977 | (308,822) | 226,845 | - | - |
| Nepal | - | 338,700 | (265,670) | - | - | 73,030 |
| UWK | - | 16,415 | (65,796) | 49,381 | - | - |
| COVID Appeal | - | 462,062 | (470,041) | 7,979 | - | - |
| | - | 1,810,874 | (1,962,532) | 284,205 | - | 132,547 |

34% of the income received in 2020 (2019: 49%) was 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.

Restricted funds – 2019

Group & Charity

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Gains / (losses) £ | Closing balance £ |
|----------|----------------------|-------------|------------------|----------------|--------------------------|-------------------------|
| Cambodia | - | 1,056,381 | (1,256,101) | 199,720 | - | - |
| Myanmar | - | 186,206 | (381,231) | 195,025 | - | - |
| Nepal | - | 311,182 | (564,717) | 253,535 | - | - |
| UWK | 11,039 | 60,126 | (86,861) | 15,696 | - | - |
| | 11,039 | 1,613,895 | (2,288,910) | 663,976 | - | - |

49% of the income received in 2019 (2018: 45%) was 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.

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

18 Analysis of net assets between funds

2020

Group

| | Unrestricted funds £ | Restricted funds £ | Total £ |
|--------------------|----------------------------|--------------------------|------------|
| Fixed assets | 94,478 | - | 94,478 |
| Net current assets | 992,694 | 132,547 | 1,125,241 |
| Total | 1,087,172 | 132,547 | 1,219,719 |

Charity

| | Unrestricted funds £ | Restricted funds £ | Total £ |
|--------------------|----------------------------|--------------------------|------------|
| Fixed assets | 94,478 | - | 94,478 |
| Net current assets | 915,299 | 132,547 | 1,047,846 |
| Total | 1,009,777 | 132,547 | 1,142,324 |

2019

Group & Charity

| | Unrestricted funds £ | Restricted funds £ | Total £ |
|--------------------|----------------------------|--------------------------|------------|
| Fixed assets | 119,826 | - | 119,826 |
| Net current assets | 1,181,504 | - | 1,181,504 |
| Total | 1,301,330 | - | 1,301,330 |

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.

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

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

| | 2020 £ | 2019 £ |
|---|--------------|---------------|
| Net (expenditure) for year | (81,611) | (75,761) |
| Depreciation of tangible fixed assets | 39,208 | 42,300 |
| (Increase) / decrease in debtors | 6,411 | (315) |
| Increase / (decrease) in creditors | 522 | 34,403 |
| (Gains) / losses on foreign exchange | 42,595 | 29,607 |
| Net cash flow from operating activities | <u>7,125</u> | <u>30,234</u> |

20 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 £24,131 (2019 - £23,548).

21 Subsidiary

On 20 April 2020, with the agreement of the Trustees, a tax exempt public charity was incorporated in the United States of America. United World Schools USA Inc. independently runs in parallel to the UK charity whilst under common control. Accordingly, the results of United World Schools USA Inc. for the period to 31 December 2020 are consolidated in these financial statements.

For the period to 31 December 2020, United World Schools Inc. had incoming resources of £91,500, expenditure of £14,105 and net income of £77,395. Unrestricted funds carried forward as at 31 December 2020 were £77,395.

22 Merger accounting

On 3 February 2020, with the agreement of the Trustees, a Charitable Incorporated Organisation (CIO) was approved and registered by the Charity Commission.

United World Schools, registered charity number 1187721, was established as a Charitable Incorporated Organisation (CIO) on 3 February 2020 to take on the charitable activities, assets and liabilities of United World Schools, registered charity number 1129537, as at 31 December 2020.

The operations of United World Schools, registered charity number 1129537, ceased on 31 December 2020, with all assets and liabilities effectively transferred to United World Schools, registered charity number 1187721, as at that date.

The net value of assets transferred to United World Schools, registered charity number 1187721, was £1,219,719.

United World Schools

Notes to the Financial Statements

Period Ended 31 December 2020

22 Merger accounting (continued)

Analysis of the principal Statement of Financial Activities components for the current period ended 31 December 2020

| | United World Schools #1129537 (Pre Merger) £ | United World Schools #1187721 (Post Merger) £ | Combined Total £ |
|-----------------------|--|---|---------------------|
| Total income | 2,761,761 | - | 2,761,761 |
| Total expenditure | (2,843,372) | - | (2,843,372) |
| Net (expenditure) | <u>(81,611)</u> | <u>-</u> | <u>(81,611)</u> |
| Net movement in funds | <u>(81,611)</u> | <u>-</u> | <u>(81,611)</u> |

Analysis of the principal Statement of Financial Activities components for the comparative period ended 31 December 2019

| | United World Schools #1129537 (Pre Merger) £ | Combined Total £ |
|-----------------------|--|---------------------|
| Total income | 3,137,070 | 3,137,070 |
| Total expenditure | (3,212,831) | (3,212,831) |
| Net (expenditure) | <u>(75,761)</u> | <u>(75,761)</u> |
| Net movement in funds | <u>(75,761)</u> | <u>(75,761)</u> |

Analysis of net assets as at the date of merger

| | United World Schools #1129537 (Pre Merger) £ | Combined Total £ |
|--------------------|--|---------------------|
| Net assets | <u>1,219,719</u> | <u>1,219,719</u> |
| Restricted funds | 132,547 | 132,547 |
| Unrestricted funds | 1,087,172 | 1,087,172 |
| Total funds | <u>1,219,719</u> | <u>1,219,719</u> |



UWS students, Nepal



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teach the unreachable

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🐦 @teamUWS

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www.unitedworldschools.org

UK registered charity number 1187721

United World Schools USA Inc. is a
501(c)3 registered organisation



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