

WINDLE TRUST INTERNATIONAL

ANNUAL REPORT AND ACCOUNTS

Year Ended 30 September 2006

Auditors:
Critchleys, Chartered Accountants
Greyfriars Court
Paradise Square
OXFORD
OX1 1BE

A Company Limited by Guarantee
Registered in England No. 4285691
Registered Charity No. 1092834

ANNUAL REPORT OF THE TRUSTEES
For the year ended 30th September 2006

Trustees: Roger H Northcott (Chair)
Makonen Getu (appointed 13 March 2006)
Eleanor E S Horne
Robert John
Cynthia M Rumboll
David Turton (resigned 4 December 2006)

Advisory Panel: Joss Saunders
Dr Patricia Daley
Dr Lillian Craig Harris
Dr Keith Russell
Malcolm McNeil

Executive Director: Robin N S Shawyer

Structure and Governance

Windle Trust International (“the Trust”) is a company limited by guarantee, registration number 4285691, and is registered in England as a charitable trust, registration number 1092834. The governing document is the Memorandum and Articles of Association under the terms of which the first Trustees were appointed. Subsequent appointments of Trustees are made by the Members. The Directors of the company are the Trustees for the purpose of charity law and are referred to as the Trustees.

New Trustees are appointed on the basis of their professional expertise or experience and their understanding of the ethos of the Trust, the geographical area (Eastern Africa) which is the focus of the Trust’s support, and the educational needs of refugees and others in that region. Induction includes briefing by existing Trustees and the provision of reports and minutes of previous meetings. In addition, Trustees are encouraged to make occasional visits to Eastern Africa.

Windle Trust Kenya and Windle Trust Uganda are independent entities with their own boards of Trustees.

At the start of the year two Trustees of Windle Trust International were also Trustees of The Hugh Pilkington Charitable Trust. One of these resigned from the board of The Hugh Pilkington Charitable Trust during the year. Two Trustees of Windle Trust International were also Trustees of Windle Trust Kenya and Windle Trust Uganda, reflecting the close cooperation between the three trusts.

Management

The activities of Windle Trust International are directed from offices in Oxford UK, supported by an office with a small staff in Khartoum and a new office, opened during the year, in Juba in Southern Sudan.

During the year under review a new WTI Regional Programme Manager post was created, based in Kampala, Uganda, to provide support as required to the Windle Trusts in Kenya and Uganda, and to the new WTI office in Juba, Southern Sudan.

Objectives and Activities

The principal object of the Trust is expressed as follows:

- To advance education, in particular the education of refugees, internally displaced people, other people affected by or at risk from conflict and natural disaster and the host populations of any such people.

The Mission of Windle Trust International is to equip refugees and others affected by conflict in Africa to meet the challenges of development through providing access to education, training and employment both by direct programme activity and through the support of independent Trusts in Africa.

Currently the main focus of the Trustees lies in addressing the underlying causes and consequences of conflict by investing in education and training in Eastern Africa and the Horn of Africa and, within that region, particularly in Southern Sudan.

The Trust's Strategic Objectives for 2005-8 can be summarised as follows:

- To advocate with policy-makers, donors, institutions and the communities affected by conflict in Africa for investment in the education and training of refugees and others affected by conflict, in particular in providing opportunities for professional and tertiary level education.
- To expand the Tertiary and English Language programmes in Sudan and to increase the postgraduate programme in the UK.
- To assist the In-Africa Windle Trusts to strengthen their capacity to manage and develop their programmes.
- To promote effective cooperation in the strategy, policies and activities of the Windle Group
- To support the development of Skills for Southern Sudan and promote cooperation with the Windle programmes.
- To develop the capacity of Windle Trust International and its partner and associate organisations to respond more fully to the needs they are addressing, to expand their programmes and to enhance the quality of their work.

Activities

The main activities of the Trust during the period under review were:

- Sponsorship of Students at Secondary and Tertiary Level in Africa
- Sponsorship of Students at Postgraduate Level in Britain
- English Language Upgrading for conflict affected communities

Windle Trust International directly implemented the following programmes:

Refugee Education

In British Universities the Trust placed and supported 22 students (2005 – 27), mainly at Masters Degree level. It is the objective of the Trustees to expand this programme by 2008 and a major effort in this regard is planned for 2007, connected to the marking of the 200th anniversary of the abolition of the slave trade. This programme develops key leadership and professional skills for conflict-affected areas and many former Windle students are now rebuilding their countries and communities. All students assisted by the Trust in the UK are brought from Africa as students and are expected to return after study. The Trust does not assist African refugees who have sought asylum in the UK. Key donors for the UK programme are reflected in Note 9 to the accounts.

In Sudan the Trust continued to support refugee and displaced students in Sudanese universities in partnership with UNHCR and other donors. A total of 100 students benefited from this programme (2005 – 110) and UNHCR has agreed to fund an intake of 28 new students in 2007 under the DAFI programme.

450 Southern Sudanese former refugees were given intensive training as English language tutors with support from UNHCR. Plans were made to take 40 professionals from Southern Sudan for training in Uganda as nurses and as teacher trainers. Key Donors to the Sudan programme are listed in Note 9 to the accounts.

Total costs attributed to this activity, including grants for the purpose to Windle Trust Kenya, Windle Trust Uganda, are £1,055,741 (2005 £1,101,184).

English Language Programmes

During the year the English language teaching experience of Windle Trust Kenya was drawn upon to establish English Language programmes in both Northern and Southern Sudan. A regional language coordinator was appointed.

In Khartoum classes were established for 150 judges and civil servants to upgrade their English as part of a DFID programme to promote Security and the Administration of Justice in Sudan,

An office was opened in Juba in Southern Sudan in November 2005 and 900 Southern Sudanese teachers were enrolled on a programme of English language upgrading to enable them to implement the new English curriculum in primary schools. This programme was delivered during the year in Juba, Wau and Malakal and will be expanded to other areas of Southern Sudan in 2007.

Total costs attributed to this activity, including grants to Windle Trust Kenya, are £366,437 (2005 £58,550).

Regional Office

In February 2006 Windle Trust International opened a regional office based in Kampala, Uganda, but designed to support the work of Windle in Sudan, Kenya and Uganda. A Regional Programme Manager has been employed and it is proposed to appoint a Regional Finance Officer.

Windle Trust International actively supports the work of the Windle Trusts in Africa:

Windle Trust Kenya (WTK): Windle Trust International made a grant of £103,000 (2005 £100,000) to WTK and secured additional funding from other sources for WTK programmes of £89,650 (2005 £78,273). Windle Trust Kenya's sponsorship activities may be summarised as follows:

Donor	Project	Beneficiaries		Level of Study
		2006	2005	
DfID (UK Government)	Sponsorship	3	3	Undergraduate
Swiss Development Corporation	Sponsorship	18	13	Undergraduate
Swiss Development Corporation	Sponsorship	1	12	Primary/Secondary
Hugh Pilkington Charitable Trust	Sponsorship	4	14	Undergraduate
Highland Foundation	Sponsorship	18	7	Undergraduate
IRC/Others	Sponsorship	2	2	Undergraduate
DAFI	Sponsorship	45	36	Undergraduate
Total Students Sponsored		91	87	

Windle Trust Kenya provided English classes for 1200 refugees in Kakuma and Dadaab Refugee Camps including teachers, health workers, community workers,

vulnerable women and those preparing for study. This programme is largely funded by a 3 year grant from Comic Relief.

The English classes address a number of needs including:

- Language skills to enable refugees to access education and training
- Language skills to equip vulnerable refugees to access services, including protection services, and to access employment and community roles
- Language skills for refugee teachers and community workers to improve their performance
- Preparing refugees for return home

Windle Trust Kenya established a successful and high quality intensive one year teacher training programme in Kakuma Refugee Camp with funding from UNHCR, and 215 teachers graduated from that programme in October 2006. Most have now returned home to Southern Sudan to take up teaching posts there.

Windle Trust Uganda: Windle Trust International made grants totalling £194,667 (2005 £54,414) to WTU and secured additional funding from other sources for WTU programmes of £22,529 (2005 £105,819 including WTI balances transferred on the formation of WTU). Windle Trust Uganda's activities may be summarised as follows:

Donor	Project	Beneficiaries		Level of Study
		2006	2005	
UNHCR	DAFI	96	80	Undergraduate
UNHCR	Peace Prize	80	80	Secondary
UNHCR	LS402	175	569	Secondary
UNHCR	LS402	127	253	Vocational
Netherlands Government	Acholi Bursary Scheme	2500	0	Secondary
Netherlands Government	Acholi Bursary Scheme	1000	0	Vocational
Other Donors	Sponsorship	14	13	Undergraduate
Total Under Assistance		3991	995	
Analysed as:				
Tertiary/Post-secondary		237	332	
Secondary/Lower Vocational		3754	663	
		3991	995	

UNHCR has cut back its funding for refugee education as part of wider cuts arising from lack of funding. The major new programme of Windle Trust Uganda is the Acholi Bursary Project seeking to reintegrate children abducted by the Lord's Resistance Army and others affected by that conflict back into the community and to strengthen the educational institutions in Northern Uganda.

HPT (Ethiopia): Windle Trust International has provided financial and other support to the Trust's local associate in Ethiopia, Hugh Pilkington Trust (Ethiopia), whose main activity has been the support of 100 refugee students in colleges and universities funded by DAFI through UNHCR.

Skills for Southern Sudan: Skills for Southern Sudan was a project of Windle Trust International until the end of 2003 when it began to operate as an independent UK charity with its headquarters in Nairobi, Kenya. Skills is plays a key role in the reconstruction of the Southern Sudan and has the resources and capacity to operate independently. However the Trustees continue to provide a small grant to Skills and to look for ways in which Windle and Skills can support each other in their complementary activities.

Summary Table

Number of Beneficiaries		Total: all	UK	Sudan	Kenya	Uganda
Total:all	Programmes	Total: all	UK	Sudan	Kenya	Uganda
Trusts	(level of study)	Trusts	(WTI)	(WTI)	(WTK)	(WTU)
2005		2006				
24	Postgraduate	20	20	0	0	0
271	Undergraduate	296	2	100	84	110
120	Professional	503		450	1	52
133	Vocational	1080		0	5	1075
649	Secondary	2756		0	1	2755
898	English Language and Access	1350		150	1200	0
1995	Total Beneficiaries	6005	22	700	1291	3992

Achievements and Performance

Advocacy

The demands of expanding programmes have limited the advocacy activity of Windle Trust International during the year 2005-2006. However the Trust has played a role in the promotion of Minimum Standards in Education and Emergencies and has engaged with donors and governments to explore ways to improve education and training, especially in Uganda and Southern Sudan.

The reduction in the funding available from UNHCR provides an opportunity for the Windle Trusts to diversify their funding base in Africa and approaches are being made to a range of other donors. A new partnership with UNICEF in Southern Sudan is providing an opportunity to play a strategic role in the reconstruction of the education sector there.

Sponsorship

It is the policy of the Trustees to expand the sponsorship programme of the Trusts particularly at tertiary level. Growth in the tertiary programme during the year was modest and raising funds for university education remains a major challenge.

However the Trusts overall have seen major growth in the sponsorship programmes particularly in Uganda where a new partnership with the Royal Netherlands Embassy in Uganda has enabled Windle Trust Uganda to play a major role in supporting young people who have suffered during the conflict between the LRA and the Uganda Government. There are hopeful signs of a peace agreement in Northern Uganda but the need for exceptional investment in education will remain for some years as the community recovers.

English Language

The English Language programmes of the Trusts continue to develop very positively and the objective of transferring the experience in Kenya into Southern Sudan was achieved very effectively. Less expected was the opportunity to work with ATOS Origin on delivering English language classes for the judiciary and civil servants in the central government in Sudan. It is vital for the future coherence and peace of Sudan that English is well understood throughout the government and these classes are putting in place an important ingredient in national unity.

As planned the English programmes in Kakuma and Dadaab Refugee Camps in Kenya were implemented successfully by Windle Trust Kenya with support from Comic Relief through Windle Trust International. This project ends in December 2007 but it is hoped that the project will continue with the same funder or a new donor.

Challenges

The year under review has been particularly challenging for the Africa programmes, both those managed directly by Windle Trust International and those managed by other Windle Trusts. Future plans will take full notice to the lessons to be learned from the various difficulties encountered which include the unreliability of certain funding sources and the practical challenges of operating in very demanding environments as well as the need for enhanced procedures to manage pressures from donors to implement programmes quickly.

Financial Review

The income and expenditure for the year is set out in the accounts. The following chart summarises the figures and provides a view of expenditure by region. In the case of Kenya, Uganda and Ethiopia the expenditure only reflects that proportion of their activity funded through Windle Trust International and does not include locally raised funds.

	2006 £	2005 £
Income		
The Hugh Pilkington Charitable Trust and the Hugh Pilkington Discretionary Trust	717,017	612,314
Other Grants and Donations	650,400	663,176
Other Income	173,485	32,606
	<u>1,540,902</u>	<u>1,308,096</u>
Expenditure		
Refugee Education	1,067,994	1,101,184
English Teaching	366,437	58,550
	<u>1,434,431</u>	<u>1,159,734</u>
Governance	22,586	27,317
Fund Generation	32,651	28,310
	<u>1,489,668</u>	<u>1,215,361</u>
Expenditure by Region		
United Kingdom:		
Scholarship Programme (direct costs)	358,957	472,115
Central Management	237,615	226,517
	<u>596,572</u>	<u>698,632</u>
Africa:		
Northern Sudan	255,267	131,344
Southern Sudan	178,964	-
Kenya	194,576	186,676
Uganda	220,239	160,400
Tanzania	-	370
Ethiopia	4,260	8,610
	<u>853,306</u>	<u>487,400</u>
Regional Support Officer	20,441	-
	<u>873,747</u>	<u>487,400</u>
Other:		
Skills for Southern Sudan	15,000	25,000
Small Grants	4,349	4,329
	<u>19,349</u>	<u>29,329</u>
Total	<u>1,489,668</u>	<u>1,215,361</u>

The Hugh Pilkington Charitable Trust provides a major portion of the funding of the Windle Trust International and Windle Trust International coordinates the distribution of part of that grant to local trusts in Africa. A schedule of universities providing fee waivers and other assistance is annexed to the Financial Statements. The Financial Statements and the above summary reflects the value of the fee waivers and subsidies by universities and other donors to students sponsored by the Trust because they fund services for which the Trust would otherwise have to pay.

Plans for the Future

The Trustees are currently reviewing strategy and plans but the following broad aims have been agreed:

- Support Windle Trust Uganda to deliver effectively on the Netherlands programme in Northern Uganda which is likely to expand in coming years.
- Expand the English programme in Southern Sudan to at least three times its present size in partnership with UNICEF, the government and other donors
- Expand the UK postgraduate programme and diversify its funding base
- Expand the Africa-based undergraduate sponsorship programmes
- Explore ways for the Trust to be an effective catalyst in the context of the reconstruction of Southern Sudan, drawing on the support of the Trust's many alumni in that community

The context in which the Trusts are working changes frequently and the priorities of the Trusts will aim to respond to those changes, especially the prospects of peace in areas such as Somalia, Northern Uganda and the Democratic Republic of the Congo.

To date Windle Trust International has had only a marginal role in Darfur but the continuing suffering of the people of Darfur calls for support from the international community in developing the community's human resources and Windle will explore what role the trust can usefully play.

Reserves Policy

It is the policy of the Trustees to build up an acceptable level of reserves to provide working capital for the Trust's activities and to underpin the funding of the programmes. The nature of the support of educational programmes is that they are long term so some degree of reserves are appropriate to provide security of funding to continuing students so that they may complete their courses. The current level of reserves, represented by the unrestricted funds balance, is modest. However, it is the policy of the Trustees to ask donors to commit themselves so far as they can to funding the full duration of each sponsored student's course.

Risk Management

The Trustees undertake a review of risk at least annually and take steps to mitigate risk while recognising that operating in parts of Africa affected by conflict involves exposure to a certain degree of risk for the trust and its staff. Risks are identified and measured using a standard matrix and responsibility for monitoring each area of risk is allocated to a particular staff member or group of staff members.

Staff

The Trustees have managed the programmes of the Trust through the employment of staff both in Britain and in Africa. For Windle Trust International activities the Executive Director reports regularly to the chair of the Board of Trustees and to the

Trustees themselves who ultimately make decisions about the management of the organisation.

The office in Oxford currently employs eight members of staff. In Sudan the programmes are delivered through a core group of about twelve staff members supported by over thirty language teachers.

Trustees' Responsibilities

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

Company law 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 company and of the results of the company for that period. In preparing those financial statements the Trustees are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

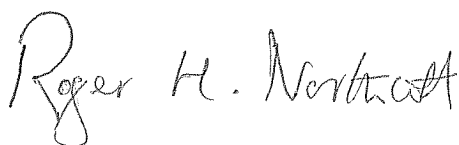
Each Trustee has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Appointment of Auditors

The Trustees have agreed that Critchleys should continue as auditors for the year 2006/7 and Critchleys have accepted the appointment.

This report is prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small entities.

Approved by the Board of Trustees on 12th March 2007 and signed on their behalf by:



.....
Trustee

Principal Trust Address:

Windle Trust International, 37a Oxford Road, Cowley, Oxford, OX4 2EN, **UK**

Branches:

P O Box 11649, Khartoum, **Sudan**

Private Bag, Juba, **Sudan**

Partner Trusts:

Windle Trust Kenya, P O Box 40521, Nairobi GPO 00100, **Kenya**

Windle Trust Uganda, PO Box 24230, Kampala, **Uganda**

Hugh Pilkington Trust (Ethiopia), P O Box 55824, Addis Ababa, **Ethiopia**

Bankers: Barclays Bank, 211-213 Banbury Road, OXFORD OX2 7HH

Auditors: Critchleys, Greyfriars Court, Paradise Square, OXFORD, OX1 1BE

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WINDLE TRUST INTERNATIONAL**

We have audited the financial statements of Windle Trust International for the year ended 30 September 2006 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

The Trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 30 September 2006 and of its incoming resources and application of resources, including the income and expenditure, in the year then ended; and
- The financial statements have been properly prepared in accordance with the Companies Act 1985; and
- The information given in the Trustees' Report is consistent with the financial statements.

Critchleys, Chartered Accountants
Greyfriars Court
Paradise Square
OXFORD
OX1 1BE :

Dated 7 June 2007.

Windle Trust International
Accounts for the Year Ended 30 September 2006

Statement of Financial Activities

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2006 £	Total 2005 £
INCOMING RESOURCES					
From generated funds:					
Voluntary Income - Grants and Donations	2	568,059	-	568,059	618,678
Investment Income - Interest		817	4,597	5,414	1,467
Rents		7,500	-	7,500	6,650
Services to other bodies	3	28,248	-	28,248	24,489
		<u>604,624</u>	<u>4,597</u>	<u>609,221</u>	<u>651,284</u>
From charitable activities					
Grants	4/9	132,323	799,358	931,681	656,812
		<u>736,947</u>	<u>803,955</u>	<u>1,540,902</u>	<u>1,308,096</u>
RESOURCES EXPENDED					
Cost of generating funds	5	<u>32,651</u>	-	<u>32,651</u>	<u>28,310</u>
Charitable Activities					
Refugee Education		525,704	542,290	1,067,994	1,101,184
English Teaching Programmes		194,774	171,663	366,437	58,550
	6	<u>720,478</u>	<u>713,953</u>	<u>1,434,431</u>	<u>1,159,734</u>
Governance costs	8	<u>22,441</u>	<u>145</u>	<u>22,586</u>	<u>27,317</u>
		<u>775,570</u>	<u>714,098</u>	<u>1,489,668</u>	<u>1,215,361</u>
Net Incoming/(Outgoing) Resources		(38,623)	89,857	51,234	92,735
Balances brought forward 1 October 2005		59,230	146,516	205,746	113,011
Balances carried forward 30 September 2006		<u>20,607</u>	<u>236,373</u>	<u>256,980</u>	<u>205,746</u>

Windle Trust International
Accounts for the Year Ended 30 September 2006

Balance Sheet

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2006 £	Total 2005 £
FIXED ASSETS					
Tangible Fixed Assets	10	496,278	-	496,278	498,781
CURRENT ASSETS					
Debtors	11	48,667	20,839	69,506	97,059
Bank accounts		88,177	218,650	306,827	140,710
		<u>136,844</u>	<u>239,489</u>	<u>376,333</u>	<u>237,769</u>
CURRENT LIABILITIES					
Creditors - amounts falling due within one year	12	<u>(137,515)</u>	<u>(3,116)</u>	<u>(140,631)</u>	<u>(52,688)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(671)</u>	<u>236,373</u>	<u>235,702</u>	<u>185,081</u>
Total Assets less Net Current Assets		<u>495,607</u>	<u>236,373</u>	<u>731,980</u>	<u>683,862</u>
LONG TERM LIABILITIES:					
Creditors - amounts falling due after more than one year		-	-	-	(3,116)
Hugh Pilkington Charitable Trust - Property Loan	13	<u>(475,000)</u>	-	<u>(475,000)</u>	<u>(475,000)</u>
		<u>(475,000)</u>	-	<u>(475,000)</u>	<u>(478,116)</u>
NET ASSETS		<u>20,607</u>	<u>236,373</u>	<u>256,980</u>	<u>205,746</u>
FUNDED BY:					
Fund Balances		<u>20,607</u>	<u>236,373</u>	<u>256,980</u>	<u>205,746</u>

Approved and authorised for issue by The Trustees at their meeting on 12th March 2007

And signed on their behalf by  Trustee

Prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small entities.

Windle Trust International
Accounts for the Year Ended 30 September 2006

Notes to the Financial Statements

1 Principal Accounting Policies

The financial statements have been prepared in accordance with the applicable accounting standards and the Statement of Recommended Practice "Accounting by Charities (Revised 2005)" and the Companies Act 1985. With the exception of the Freehold Property, which is subject to periodical revaluation, the historical cost convention has been applied.

a) Foreign Currencies

Foreign currency transactions are translated at the rate of exchange ruling at the date of the transfer of the funds financing the transactions or at the date of the transaction except in cases where the funder requires the use of a fixed exchange rate. Foreign bank and cash account balances held are translated at the rate ruling at the balance sheet date. Exchange gains and losses on current assets and current liabilities are reflected in the Statement of Financial Activities for the period.

b) Tangible Fixed Assets

Tangible Fixed Assets are stated at their purchase price, including any incidental expenses of acquisition.

- Furniture and Equipment is depreciated on a reducing balance basis at a rate of 12.5% per annum.
- Computer Equipment is depreciated on a reducing balance basis at a rate of 33.3% per annum.
- The vehicle is depreciated on a reducing balance basis at a rate of 20% per annum.
- Asset purchases costing under £500 are not capitalised.

The Freehold Properties are not depreciated as it is the policy to carry out annual impairment reviews.

c) Scholarships

Where the Trust receives a free or concessionary place from an institution for a student who has been assessed and selected by the Trust, the value of that concession or donation is reflected in the Statement of Financial Activities as part of the Grants figure and detailed in Note 9 as 'Supported Places'. A corresponding amount is included in sponsorship expenditure.

d) Grants Receivable and Deferred Income

Grants Receivable are reflected in the Statement of Financial Activities as income when all the conditions for receiving the grant have been met. Grants for specific purposes are accounted for as Restricted Income.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

Windle Trust International
Accounts for the Year Ended 30 September 2006

Notes to the Financial Statements

1 Principal Accounting Policies, continued...

e) Expenses

- i. Expenditure is included on an accruals basis, and is recognised when there is a legal or constructive obligation to do so.
- ii. Costs of generating funds comprise an apportionment of costs deemed to be directly attributable to fund raising efforts.
- iii. Management and administration costs comprise an apportionment of costs deemed to be attributable to general administration of the charity as distinct from programme support costs.

f) Staff Pensions – Staff in the United Kingdom

Subject to a minimum contribution of 3% of gross pay from the employee, the Trust contributes to private defined contribution pension schemes at 5%, 7.5% (for employees over 35) and 9% (for employees over 45) after successful completion of the employee's probationary period.

g) Fund Categories

1. **Unrestricted Funds.** These are funds that can be used in accordance with the charitable objects of the Trust at the discretion of the Trustees.
2. **Restricted Funds.** These are funds that can only be used for a restricted purpose within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular purpose.

h) Grants payable

In general, grants payable are reflected in the accounts where the grants are due for payment during the year. However, scholarships and student support are charged in line with academic year and so costs incurred in the financial year 2004/5 in respect of students supported for the 2005/6 academic year were deferred to be charged in the current financial year and costs incurred in the current year for students to be supported for the academic year 2006/7 are deferred to be charged in the financial year 2006/7.

Windle Trust International
Accounts for the Year Ended 30 September 2006

Notes to the Financial Statements

2. Voluntary Income – Grants and Donations

		2006 £	2005 £
The Hugh Pilkington Charitable Trust			
Core Funding Grant for Year	450,000		550,000
Additional Emergency Funding	112,500		-
Grant for staff costs	2,500		2,500
Working capital grant	-	565,000	27,500
The Hugh Pilkington Discretionary Trust			
Grant for staff costs	2,500		2,500
Working capital grant	-	2,500	27,500
Other		559	8,678
		<u>568,059</u>	<u>618,678</u>

3. Services to Other Bodies

		2006 £	2005 £
Skills for Southern Sudan		12,753	14,403
The Hugh Pilkington Charitable Trust		9,600	9,600
Windle Trust Uganda re Regional Office		5,629	-
Other		266	486
		<u>28,248</u>	<u>24,489</u>

4. Grants – Charitable Activities (General Funds)

		2006 £	2005 £
ATOS (DFID Contractor) for English Teaching N Sudan		132,323	-

5. Cost of Generating Funds

		2006 £	2005 £
Staff Remuneration		20,000	20,000
National Giving Week – Video Presentation		10,290	-
Staff travel etc		2,361	8,310
		<u>32,651</u>	<u>28,310</u>

Windle Trust International
Accounts for the Year Ended 30 September 2006

Notes to the Financial Statements

6. Charitable Activities

General	Refugee	English	Total	
	Education	Teaching	2006	2005
	£	£	£	£
Grants:				
Hugh Pilkington Trust Ethiopia	4,260	-	4,260	8,610
Windle Trust Kenya	80,000	23,000	103,000	100,000
Windle Trust Uganda	78,900	-	78,900	54,414
Skills for Southern Sudan	15,000	-	15,000	25,000
Small Grants	4,349	-	4,349	4,329
	<u>182,509</u>	<u>23,000</u>	<u>205,509</u>	<u>192,353</u>
Scholarships and Direct Educational Costs:	96,304	77,967	174,271	124,337
Programme Support	246,891	93,807	340,698	245,705
	<u>525,704</u>	<u>194,774</u>	<u>720,478</u>	<u>562,395</u>
Restricted				
Grants:				
Ahfad Hostel	4,540	-	4,540	4,651
Windle Trust Kenya	49,484	40,166	89,650	78,273
Windle Trust Uganda	138,296	-	138,296	105,819
	<u>192,320</u>	<u>40,166</u>	<u>232,486</u>	<u>188,743</u>
Scholarships and Direct Educational Costs:	329,659	64,922	394,581	400,455
Programme Support	20,311	66,575	86,886	8,141
	<u>542,290</u>	<u>171,663</u>	<u>713,953</u>	<u>597,339</u>
Total General and Restricted	<u>1,067,994</u>	<u>366,437</u>	<u>1,434,431</u>	<u>1,159,734</u>
Summary:				
Grants	374,829	63,166	437,995	381,096
Scholarships and Direct Educational Costs:	425,963	142,889	568,852	524,792
Programme Support	267,202	160,382	427,584	253,846
	<u>1,067,994</u>	<u>366,437</u>	<u>1,434,431</u>	<u>1,159,734</u>
Breakdown of Programme Support Costs				
Premises Costs	25,441	3,065	28,506	14,623
Staff Costs	171,433	114,816	286,249	183,304
Staff Travel etc	24,858	22,616	47,474	23,903
Office Expenses	36,915	18,608	55,523	27,889
Depreciation	8,555	1,277	9,832	4,127
	<u>267,202</u>	<u>160,382</u>	<u>427,584</u>	<u>253,846</u>

Windle Trust International
Accounts for the Year Ended 30 September 2006

Notes to the Financial Statements

7. Staff Remuneration

	2006 £	2005 £
Reflected under:		
Cost of generating funds	20,000	20,000
Charitable Activities:		
Scholarships and Direct Educational Costs	14,081	-
Programme Support	286,249	183,304
Programme Support - Premises for cleaning	877	1,576
Governance costs	9,600	9,600
	<u>330,807</u>	<u>214,480</u>
UK Payrolls		
Gross pay	177,700	160,984
Employer's National Insurance	18,318	16,786
Statutory Maternity Pay recovery	(346)	-
Employer's Pension contributions	11,141	12,606
Permanent Health and Death in Service Insurance	7,343	7,263
Uganda Support Costs	-	2,111
	<u>214,156</u>	<u>199,750</u>
Non-UK Payroll		
Northern Sudan	32,546	11,515
Southern Sudan	51,490	-
Uganda	578	-
Regional Office	15,333	-
Staff accommodation (Northern and Southern Sudan)	13,685	-
Staff Training/RecruitmentMedical	3,019	3,215
	<u>330,807</u>	<u>214,480</u>

Note: **UK Staff Remuneration:**

The average number of employees during the year was approximately 7
No individual's employee emoluments exceeded £60,000 in either year.

8. Governance

	2006 £	2005 £
Professional Fees		
Audit	4,960	5,287
Legal	783	1,079
Finance – Venturesome	750	-
Consultancy	-	2,780
Statutory Charges	263	15
	<u>6,756</u>	<u>9,161</u>
Staff remuneration	9,600	9,600
Trustees and Other Meetings	1,260	1,943
Trustees Expenses	3,244	6,613
Windle Uganda and Kenya Trustee	1,726	-
	<u>22,586</u>	<u>27,317</u>
Payments to Trustees		
Travelling expenses etc re 2 (2005 3) Trustees (inc Africa visits)	3,244	6,518
Other expenses	-	25
	<u>3,244</u>	<u>6,543</u>

**Windle Trust International
Accounts for the Year Ended 30 September 2006**

Notes to the Financial Statements

9. Movement on Restricted Funds

	Balances		Expenditure		Balance			
	30 September 2005 £	Incoming Resources £	Programme Costs £	Grants £	30 September 2006 £	Debtors £	Creditors £	Bank £
Operations in:								
United Kingdom								
University Sponsorships	-	4,750	4,750	-	-	1,750	-	(1,750)
Trusts:								
Eleanor Rathbone	-	2,000	-	-	2,000	-	-	2,000
Gordon Memorial	-	9,400	9,400	-	-	-	-	-
Highland Foundation	-	10,000	10,000	-	-	-	-	-
Steve Biko Educational Trust	-	3,000	3,000	-	-	-	-	-
World Friendship	-	2,500	2,500	-	-	-	-	-
Supported Places	-	210,523	210,523	-	-	-	-	-
Individual Donors:								
M Dodson Bursary Fund **	103,958	4,597	6,000	-	102,555	-	-	102,555
Other	-	6,410	-	-	6,410	1,410	-	5,000
Total United Kingdom	103,958	253,180	246,173	-	110,965	3,160	-	107,805
Uganda								
Aid Agencies:								
DFID	-	7,263	-	7,263	-	-	-	-
DFID Expanded ST Scheme	-	43,568	1,183	4,461	37,924	128	-	37,796
Episcopal Relief and Development	8,355	-	1,859	-	6,496	250	-	6,246
Trusts:								
Hugh Pilkington Charitable Trust	-	50,000	-	50,000	-	-	-	-
Hugh Pilkington Discretionary Trust	-	65,767	-	65,767	-	-	-	-
Mazars Charitable Trust	700	-	-	700	-	-	-	-
Individual and Other Donors	1,264	10,161	1,144	10,105	176	101	-	75
Total Uganda	10,319	176,759	4,186	138,296	44,596	479	-	44,117
Kenya								
Aid Agencies:								
DFID	-	12,429	-	12,429	-	-	-	-
Trusts:								
Comic Relief	650	55,672	1,820	40,166	14,336	-	-	14,336
Highland Foundation	10,000	27,055	-	37,055	-	10,000	-	(10,000)
Individual Donors	298	1,699	1,926	-	71	2,217	-	(2,146)
Total Kenya	10,948	96,855	3,746	89,650	14,407	12,217	-	2,190
Northern Sudan								
Aid Agencies:								
DFID	1,459	5,603	4,861	-	2,201	113	-	2,088
Episcopal Relief and Development	2,439	-	1,196	-	1,243	-	-	1,243
UNHCR – DAFI	5,188	63,504	66,456	-	2,236	366	-	1,870
Trusts:								
Gordon Memorial	1,063	9,935	5,424	4,540	1,034	485	-	549
Mazars Charitable Trust	5,827	-	2,420	-	3,407	83	-	3,324
Progress Eritrea	4,372	6,072	7,052	-	3,392	386	(3,116)	6,122
Refugee Education Trust	455	-	-	-	455	886	-	(431)
Individual Donors	488	(192)	101	-	195	-	-	195
Total Northern Sudan	21,291	84,922	87,510	4,540	14,163	2,319	(3,116)	14,960
Southern Sudan								
Aid Agencies:								
UNHCR	-	92,013	92,013	-	-	-	-	-
UNICEF	-	66,476	27,543	-	38,933	1,469	-	37,464
Total Southern Sudan	-	158,489	119,556	-	38,933	1,469	-	37,464
Regional Office								
The Hugh Pilkington Charitable Trust	-	33,750	20,441	-	13,309	1,195	-	12,114
	146,516	803,955	481,612	232,486	236,373	20,839	(3,116)	218,650

**The Margaret Dodson Bursary Fund is to support the UK sponsorship programme over a period of 20 years from 2005.

Windle Trust International
Accounts for the Year Ended 30 September 2006

Notes to the Financial Statements

10. Tangible Fixed Assets

	Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Fixed Assets					
Balance 30 September 2005	463,575	31,550	9,275	4,408	508,808
Additions	-	-	1,373	7,661	9,034
Disposal	-	-	-	(4,408)	(4,408)
Balance 30 September 2006	<u>463,575</u>	<u>31,550</u>	<u>10,648</u>	<u>7,661</u>	<u>513,434</u>
Depreciation					
Balance 30 September 2005	-	9,097	930	-	10,027
Depreciation for year and loss on vehicle disposal	-	2,807	3,045	3,980	9,832
Disposal	-	-	-	(2,703)	(2,703)
Total depreciation	<u>-</u>	<u>11,904</u>	<u>3,975</u>	<u>1,277</u>	<u>17,156</u>
Net book value 30 September 2006	<u>463,575</u>	<u>19,646</u>	<u>6,673</u>	<u>6,384</u>	<u>496,278</u>
Net book value 30 September 2005	<u>463,575</u>	<u>22,453</u>	<u>8,345</u>	<u>4,408</u>	<u>498,781</u>

11. Debtors Comprise

	2006 £	2005 £
Income Tax recoverable	65	1,296
Grants receivable	15,433	5,880
Prepaid student support etc	17,403	46,859
Other prepayments	4,950	2,278
Other debtors	31,655	40,747
	<u>69,506</u>	<u>97,060</u>

12. Creditors Comprise

	2006 £	2005 £
Hugh Pilkington Charitable Trust	24,110	-
Taxation	5,344	-
Accruals	48,252	44,609
Deferred income	3,116	5,572
Other creditors	59,809	2,507
	<u>140,631</u>	<u>52,688</u>
Creditors: amounts falling after one year (deferred income):	<u>-</u>	<u>3,116</u>

Windle Trust International
Accounts for the Year Ended 30 September 2006

Notes to the Financial Statements

12. Creditors continued...

Deferred Income Movement	2006	2005
	£	£
Balance at 1 October 2005	8,688	33,674
Released to incoming resources	(5,572)	(24,754)
Transferred to Windle Trust Uganda	-	(232)
Balance at 30 September 2006	<u>3,116</u>	<u>8,688</u>

14. The Hugh Pilkington Charitable Trust – Property Loan

The Hugh Pilkington Charitable Trust provided £475,000 by way of loan, secured by charges on the properties at 37 and 37a Oxford Road, Oxford, to cover purchase of the two properties and ancillary costs. The charges have been amended to provide that the amount repayable on disposal of the properties shall be the net sale proceeds. The loan is interest-free.

15. Related Parties

During the year under review two Trustees of the Trust, Roger Northcott and Cynthia Rumboll, were also Trustees of The Hugh Pilkington Charitable Trust. Thus, between the two Trusts, there were Trustees in common during the year. It is the intention of the Trustees that the two bodies operate as independent entities and, towards this end, Roger Northcott resigned from the board of The Hugh Pilkington Charitable Trust on 24 March 2006

However, insofar as they occurred before 25 March 2006, all transactions with The Hugh Pilkington Charitable Trust as disclosed elsewhere in these accounts are related party transactions as defined by the Accounting and Reporting by Charities: Statement of Recommended Practice (Revised 2005).

Schedule of Universities and Institutions providing free or subsidised places to Trust students,

DfIDSS Scheme

University of Wales, Bangor
Glasgow Caledonian University
University of Manchester

Campus Scheme

University of Bristol
University of Wolverhampton

University Bursaries and Scholarships

Ahfad University for Women,
Anglican Chaplancy, University of Wales, Bangor
University of Central Lancashire
Comboni College of Science and Technology
Heriot-Watt University
Liverpool School of Tropical Medicine
Makerere University
Mbarara University, Uganda
CUEA, Nairobi
Oxford Brookes University
University of Reading
University of Wales, Bangor
University of Wolverhampton

Placements financed by the Chevening and Commonwealth Schemes

Liverpool School of Tropical Medicine
University of Leeds
University of Manchester