



**THE KALOKO TRUST UK**

**TRUSTEES' ANNUAL REPORT & ACCOUNTS**  
**For the year ended 31 December 2008**

# The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

## Contents

Contents	1
Legal and Administrative Information	2
Structure, Governance and Management	3
Objects and Activities	4
Activities, Achievements and Performance	5
<b>AGRICULTURAL SUPPORT &amp; DEVELOPMENT</b>	<b>5</b>
Food Security	5
Food Security and HIV/AIDS	6
Agricultural Supply	7
Future Plans	7
<b>NATURAL RESOURCE MANAGEMENT</b>	<b>7</b>
Water Resource Development	8
Beekeeping	8
Future Plans	8
<b>ENTERPRISE DEVELOPMENT</b>	<b>9</b>
Income Generation	9
Guest Accommodation	10
Restructuring	10
Future Plans	11
<b>COMMUNITY SOCIAL DEVELOPMENT</b>	<b>11</b>
Luansobe Upper Basic School (LUBS)	11
Educational Scholarships	12
Community School Development Programme	12
Kaloko Crèche	12
Kaloko Rural Health Centre (RHC)	12
Luansobe Community HIV and AIDS Programme	13
Future Plans	15
<b>CAPACITY BUILDING</b>	<b>15</b>
Future Plans	15
<b>FINANCIAL REVIEW</b>	<b>15</b>
Reserves Policy	15
Grant Making Policy	16
Investment Policy	16
Funding	16
Statement of Trustees’ Responsibilities	18
Independent Examiner’s Report to the Trustees of the Kaloko Trust UK	19
<b>STATUTORY ACCOUNTS</b>	<b>20</b>
Statement of Financial Activities	20
Balance Sheet	21
Notes to Accounts	22

# The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008

## Legal and Administrative Information

Registered Charity Name:	Kaloko Trust UK
Charity Registration Number:	1047622
Trustees:	Jim Smyllie (Chair) Domino Champe Chris Clarkson (Treasurer) Amy Sheehan Julia Ventham Tom Ventham
Director:	Renato Gordon
Administrator:	Mark Whitaker
Principal Office:	39-41 Surrey Street Brighton East Sussex BN1 3PB 01273 766660 admin@kalokotrust.org www.kalokotrust.org
Bankers:	Lloyds Bank plc Covent Garden Branch 22-24 Southampton Street London WC2 7JB  CCLA Investment Management Ltd The CBF Church of England Funds 80 Cheapside London EC2V 6DZ
Independent Examiner:	C.R.Tyler FCA DChA Clark Brownscombe Chartered Accountants 8 The Drive, Hove, East Sussex, BN3 3JT
Governing Document:	Trust Deed dated 26 June 1995

# The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

## Structure, Governance and Management

### *Trustees and organisational structure*

The Kaloko Trust UK is governed by a Trust Deed, dated 26 June 1995.

Kaloko had six trustees at the end of 2008. It is current practice for Kaloko to recruit trustees in the same manner it would employ employees. When a trustee leaves or the existing trustees identify a need for a further Board member, a person specification is drawn up and adverts inviting applications are placed on our website and in the local and national press. Suitable applicants are shortlisted and then interviewed, with the most appropriate applicant being asked to join the trustees.

The trustees serve indefinitely and sometimes visit Zambia on familiarisation and monitoring trips. New trustees are provided with an induction both on the purpose and activities of the Kaloko Trust, and on the roles and responsibilities of a trustee. New trustees are also required to visit Zambia to familiarise themselves with our programme as soon as practically possible.

At the Trustees’ Meeting of 21 September 2008 discussions were held about the need to include an extra trustee with fundraising/marketing and organisational development skills. Advertisements were placed in appropriate publications. Two current trustees have agreed to do the initial screening and interview the candidates in early 2009,

Kaloko’s day-to-day business is managed by the Director who reports directly to the trustees. The trustees meet at least quarterly with the UK Administrator and Director to make medium to long-term decisions.

### *Risk Management*

As with any organisation, Kaloko’s work involves some risks. It is one of the trustees’ roles to ensure that these risks are managed, minimised and mitigated. To achieve this, the trustees have worked to identify and review the major strategic, business and operational risks that the charity faces. These are assessed against their possible likelihood of occurring and their possible impact on the organisation.

The major risks have been identified as:

- Our finances: there is a continuing increase in competition for funds and supporters.
- Our partners: Kaloko works at a grassroots level with rural community organisations that often have a weak organisational capacity.
- HIV/AIDS: Zambia is deeply affected by the HIV/AIDS pandemic and it is negatively impacting on all aspects of rural livelihoods and Kaloko’s programmes.

Given the nature of Kaloko’s work the trustees recognise that some areas of our work require the acceptance and management of risk if our key objectives are to be achieved. The trustees have adopted, or are working to adopt, policies and frameworks to mitigate these risks. These include:

- Regular monitoring and assessment of the identified risks, through regular reports and personal visits from KTUK staff and trustees;
- Developing a strong fundraising strategy and annual action plan;
- Working to improve our management of knowledge and information;
- Working to mainstream HIV/AIDS awareness across all areas of our work.

# The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008

## Objects and Activities

The Kaloko Trust UK is a non-governmental, non-political, non-religious organisation established in 1995 and constituted under a Trust Deed dated 26 June 1995.

The Trust Deed defines the charity's objectives as being:

1. To relieve poverty in Zambia and other Third World countries, in particular by promoting sustainable self-help projects, advancing agriculture and other locally appropriate commerce and industry, and promoting the environmentally sustainable use of natural resources.
2. To advance the education of people living in Zambia and other Third World Countries by the provision of educational facilities.
3. To relieve sickness and protect and preserve the health of people living in Zambia and other Third World countries by the provision of health centres and medical support.

Kaloko believes that long-term sustainable development can only occur where the issues that cause poverty are addressed in an integrated approach, working in partnership with beneficiaries. Thus to date we have concentrated our resources in a single geographical area – Luansobe, Zambia - working with local communities to improve access to: sufficient food, water, health, education and income.

Our current activities are categorised under the following headings:

- **Agricultural Support and Development**, which aims to raise household food security and agricultural production.
- **Natural Resource Management**, which aims to develop the sustainable use and management of local natural resources such as water and forests.
- **Community Social Development**, which aims to develop and improve access to education and health services.
- **Enterprise Development**, which aims to develop and improve appropriate local income generation opportunities, both for Kaloko and local communities.
- **Capacity Building**, which aims to help develop the capacity of our local partners in Zambia.

In order to achieve our aims during 2008 we have worked in two ways:

1. through direct support given to programmes in Zambia, using our own staff and, where appropriate, volunteers; and
2. through working in partnership with the Kaloko Trust Zambia (KTZ), which is an independent non-governmental organisation, established and registered in Zambia.

Our partner organisation in Zambia, KTZ, has considerable local and programme experience. They have been working to support rural development in the Luansobe area, through a wide range of initiatives, since 1989. We have worked in partnership with them since our inception in 1995 and their experience and local knowledge is a vital contributor to programme success. As a separately registered and independent Zambian charity, with its own Executive Committee, the accounts of KTZ are not consolidated into the Kaloko's accounts.

Programmes of work are decided in close consultation with both beneficiaries and KTZ staff in Zambia, in consultation with local communities.

Where KTZ implements programmes on our behalf, we provide them with direct support through our visiting staff and volunteers placed in Zambia. This takes the form of financial, management and administration support, programme advice & management, technical advice and the

# **The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008**

procurement of equipment. We also closely monitor the progress of programmes implemented on our behalf.

Kaloko continues to regularly consult with both partners and beneficiaries, and based on this, and the present poor state of the Zambian economy and local infrastructure, we believe that our support is still needed and no significant changes in our activities are currently envisaged.

## **Activities, Achievements and Performance**

### **AGRICULTURAL SUPPORT & DEVELOPMENT**

#### **1) Food Security**

Many small-scale farmers in rural Zambia face a constant struggle to grow enough maize to feed their families. With erratic rainfall, poor sandy soils and rapidly declining soil fertility they have increasingly turned to using chemical fertilisers to maintain yields. However, with limited funds available and ever increasing fertiliser prices the harvests do not now justify the cost of the fertiliser. Many farmers have given up using any fertiliser and yields have plummeted which has severely impacted household food supply. With few livestock there is little manure available to help maintain soil fertility and farmers now desperately need to find an alternative crop to maize which might both earn them a reasonable income (with which they can buy in food) and also improve soil fertility, so that they can continue to grow other crops in a healthy rotation. Soya-bean cultivation offers such an opportunity. With increasing world demand and greater local use for stock-feed there is a strong commercial market in the area and the income from soya-beans can be significantly higher than that earned from maize. Soya-beans are also leguminous plants and fix atmospheric nitrogen in the soil thus improving fertility. At present a few local farmers in the Luansobe area do grow soya-beans but community discussions have found that most people will not cultivate the crop because they neither have the technical knowledge nor the confidence that it would do well in their own farming system.

In 2008 Kaloko Trust initiated a two-phase extension project which commenced in the first year with a practical hands-on training programme targeting 22 leader-farmers selected from 11 villages. The course of eleven one-day sessions covers the full cropping cycle from land preparation to harvest and is being conducted at a demonstration plot on land provided by Kaloko, The local Department of Agriculture Extension Assistant is providing the training. Those farmers successfully attending the initial course and willing to further demonstrate how to grow soya-beans to their neighbours on their own farms, will be provided with a basic package of seed and fertiliser and extension support in Phase 2.

In the second year it is planned that of the original farmers trained at least 15 will establish demonstration plots on their farms, using the seeds and fertilisers provided, and invite a minimum of 10 of their relatives and neighbours to attend another series of practical training sessions. These will demonstrate on-farm the advantages of soya-bean production to a further 150 farming families in the second year. With at least 172 farmers trained in soya-bean production and many of them planting the crop in their fields there should then be sufficient numbers of examples spread locally to allow other farmers to gain exposure to the crop and to be able to make the choice as to its appropriateness to their farming system.

During the initial two years the Dept of Agriculture Extension Assistant living in the area will be provided with a bicycle and an allowance to enable him to support the various farmers in their demonstration plots. The seed/fertiliser packs provided (10kg seed, 100kg D-Compound fertiliser

## The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008

and 60 hessian sacks) will be enough for each farmer to produce 2 limas (0.5 hectares) of soya-beans. With an expected yield of 2.5 tonnes per hectare resulting in an income of £268 (from 0.5 hectares) this will allow farmers to buy in the 12 bags of maize needed to feed an average family for a year and still have over £100 left for other expenses after buying seed and fertiliser for the next year.

### 2) Food Security and HIV/AIDS

Currently many people living with HIV/AIDS and their families are unable to meet their daily food needs. This sadly has led to many orphans and vulnerable children (OVCs) leaving school. People living with HIV/AIDS are also not living longer even though they are on Anti-retroviral Treatments (ARTs) because their nutritional needs are inadequately met. The problems mentioned above are as a direct result of their low income and poor food production capacity.

According to the Living Conditions Monitoring Survey (LCMS) of 2004, as much as 68% of the population of Zambia fell below the national poverty line, earning less than £16 per month. This is despite the impressive growth in the Zambian economy recorded over this period. The depth and severity of poverty remain high. The incidence of rural poverty stood at 83% in 1998, though this figure fell to 71% in 2004; but poverty levels still remain higher in rural areas in comparison to urban areas.

The eleven Luansobe communities in which Kaloko works are in the Masaiti district, an area hugely impacted by HIV/AIDS. The people of the area are mainly subsistence farmers whose income depends largely on farm produce from rain-fed crops. Currently the income of many households have been reduced by the rising price of fertiliser and the depletion of soil nutrition, and many are struggling to survive, especially those families which are headed by people with HIV/AIDS. Due to their condition people with HIV/AIDS are frequently weak and are so not able to cultivate their maize fields. Their nutritional and health needs also increase as a result of following a strict drug regime that requires that they take proper meals before they can take the drugs.

Although the problem of access to ARTs has now been overcome there is still a pressing need to establish a sustainable form of income generation which is less demanding in terms of physical labour needs. A new project is being developed which will help the primary beneficiaries with training and start up capital to set up a collective income-generating venture through chicken rearing. There is a good market for chickens in the nearby city of Ndola and the current price is about £3.60 per bird, (input costs are about £3.00). The participants will provide their own labour and profits will only be distributed after provision is made for the input costs for the next batch of chickens. It is expected that there will be three cycles completed each year.

The Kaloko HIV/AIDS Support Group was formed in 2004 by Kaloko Rural Health Centre staff. This group was specifically formed for people openly living with HIV/AIDS and the clinic ran a successful crop production project in partnership with Kaloko Trust Zambia in the 2006/2007 agricultural season. The support group is now officially registered with the Department of Health and is managed by a committee of eleven people (four female and seven male). The main objectives of this group are to:

- Give care and support to its members and their families
- Help and encourage members to access Anti-Retroviral Therapies (ARTs) and food supplements
- To provide an enabling environment for people living with HIV/AIDS to talk about HIV/AIDS openly with people in the same area
- To equip people living with HIV/AIDS with the skills to raise money for looking after their children and orphans

## **The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008**

Working with the Rural Health Clinic and the local Department of Agriculture and using an existing but unused chicken rearing house, Kaloko has initiated a project which will train the support group of HIV/AIDS infected people and set them up in a small-scale collective commercial poultry production unit thus:

- increasing much needed household income for HIV/AIDS affected families (approximately 160 members) during this very difficult period of their lives, and
- reducing stigma and improving the community status and the feeling of self-worth of the group members

After the initial support from Kaloko the poultry production enterprise should be self-supporting and provide a successful example to the community of the benefits of both enterprise and collective action. The project will also assist the Rural Health Clinic to ensure that 40 potential HIV infected people can travel to the nearby hospital to be tested and if necessary receive the necessary counselling and medical support.

### **3) Agricultural Supply**

Consultations carried out in previous years have shown that local communities lacked access to basic agricultural inputs and that there was a high demand for Kaloko to meet this need. In September 2006 Kaloko renovated a shop to sell agricultural and other supplies to meet local demand. In 2008 KTZ continued negotiations with local agricultural supply companies about them starting an agency in the shop and it is hoped that the shop will reopen to supply agricultural inputs in 2009.

### **Future Plans**

In 2009 we will:

- Continue to use the lessons learnt from the previous projects, adapt Food Security project activities and push for a private input supply programme appropriate for HIV/AIDS and poverty affected families.
- Develop a programme to support the development of the Rainwater Catchment Tanks’ irrigation potential for supporting agricultural production.
- Encourage the community, many of whom have been trained in Kaloko projects, to utilise the established infrastructure on the Kaloko campus for developing their own agri-businesses. At present the piggery is being run by a local individual and discussions are being held with local milk producers on the use of the cheese making machinery.

### **NATURAL RESOURCE MANAGEMENT**

Over the last 15 years there has been, and continues to be, a considerable increase in the local population at Luansobe. This has meant growing pressure on the fragile local eco-system. Water remains a major issue: rains are often erratic and unpredictable and, as the population increases, water-tables fall and wells dry up.

The forests around Luansobe play a vital role in people’s lives: they provide fuel for cooking, construction materials, a source of food (such as mushrooms and fruit), medicines, and a source of income through charcoal production. Population pressures and indiscriminate charcoal production have resulted in a significant loss of local forest.

# The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008

Kaloko's work aims to address these challenges by demonstrating and promoting sustainable approaches to Natural Resource Management, which will improve livelihoods for both current and forthcoming generations.

## Water Resource Development

Water remains a major issue for people living in the area. As the population increases, both locally and in adjacent areas, water tables are falling and wells are drying up.

In 2008 we have continued to support a Water Resource Development programme that aims to address these concerns through the construction of a series of rainwater catchment tanks (dams), which hold rainwater that would otherwise be lost in ephemeral streams. By holding back the water (the average retention is 150,000 cubic metres of rainwater) the tanks help to recharge groundwater levels, increase the growth rates of the surrounding Miombo woodland and increase the duration of grazing for animals. They also provide a major year-round source of water. This allows the cultivation of kitchen gardens and fruit trees during the dry season, as well as generating some local aquaculture.

With four dams already completed in previous years, Kaloko continued work in 2008 on a new Rainwater Catchment Tank at Kantolo. The community was mobilised and has continued work on the construction of the spillway. This work, which was interrupted by the early start to the rains in 2008, is expected to be completed in 2009,

## Beekeeping

Beekeeping is relatively simple to learn, there is good foraging for bees in the Luansobe area, and honey is a non-perishable product and is in high demand. In addition to this, beekeeping encourages appreciation and conservation of natural woodland and discourages unnecessary deforestation.

Consequently there is a high demand for training in beekeeping from the local community. Kaloko's philosophy is to demonstrate, train and then support. There is a demonstration apiary at KTZ's Training Centre, which is used to provide training on a 10-day residential course. On completion of the course trainees are provided with equipment on loan, and are supported through extension visits. During 2008 we trained and equipped a further 50 beekeepers, bringing the total trained by Kaloko to almost 280.

During 2008 we have continued to support the development of the Luansobe Beekeeping Co-operative Society, which aims to develop beekeeping in the area by providing a collective commercial outlet for members. We have successfully worked with the beekeepers to officially register the Co-op, to develop a business plan and have provided training in finance, monitoring and general management and administration to the Co-op's Executive. By the end of 2008 the Co-op had over 150 members and Kaloko plans to channel future support for beekeeping through the Co-op. In 2008 the Co-op bought and processed nearly 900kg of raw honey, processing and marketing the produce in form of pure honey, wine and wax. In addition work was completed on rehabilitating an old store-building now being used as the Beekeeping Cooperative's Office.

## Future Plans

In 2009 we will:

- Complete work on the Rainwater Catchment Tank at Kantolo;
- Train and equip 50 more beekeepers;

## The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

- Continue to train and support the Co-op to provide extension services to beekeepers and to implement their business plan.

### ENTERPRISE DEVELOPMENT

In 2008 KTUK started fund raising for a new project to support the development of the local economy. Fund raising has been successful and the project is expected to be implemented in 2009.

For many rural farmers in Zambia there is little realistic chance of formal employment. Income generating opportunities are limited and the main economic activities revolve around agricultural production and the harvesting of natural resources such as wild fruits, mushrooms and honey. Even when producing their own food, families still need cash income to purchase necessities such as salt, soap, clothes and medicine, and to pay school fees, so each year farmers need to sell a portion of their produce. At present most farmers are passive sellers awaiting the passing of the occasional trader who might offer them something for their surplus produce. Many farmers sell immediately after harvest because it is only then that buyers come to visit the farms - but it is also when prices are at their lowest. The imminent arrival of a tar road within 6 kms of the project area means that finally they might be able to move their produce off the farm and sell for a better price at the central market, or to wholesalers, in the city of Ndola. However, they first have to move their produce along forest tracks to the roadside to be then loaded on to trucks. The most appropriate form of transport for this initial transport stage is the bicycle. Additionally, bicycles can also be used by the farmers and their children to go to school, take sick family members to the health clinic or to attend the various community meetings and events which have normally required a long walk in an area where populations are so spread out.

Unfortunately the models of bicycle sold locally, which are imported from China and India, are not robust enough for the task and cost more than many families can afford. Using bicycles discarded in the UK and collected by the charity *Re-Cycle* the Kaloko project will provide 400 robust reconditioned bicycles to be sold at 50% of the local cost thus enabling many more families to purchase this appropriate form of transport. The project will also train four local bicycle mechanics and assist them in setting up two competing workshops to render bicycle repair services to the community. Another UK charity *Tools with a Mission* have also agreed to assist the project by supplying maintenance kits to equip the two planned workshops, as well as bicycle repair stands and smaller individual bicycle repair kits. Overall outcomes are expected to be:

1. More than 300 farming families receive higher prices for agricultural produce thus improving household income
2. More than 300 women are relieved of the heavy burden of back-carrying produce to market
3. More than 2,400 members of farming families have improved access to health, education and other community services
4. Four young people are trained and set up in two bicycle repair workshops

### Income Generation

The KTZ Farm Training Centre hosts a number of small-scale production units. These have demonstrated potential, provided employment and training, added value to local agricultural products and helped to diversify opportunities for local people and generate economic activity. This in turn underpins the development and support of basic social services for the wider community.

All the enterprises aim to be self-financing and as such direct financial input from Kaloko remained small in 2008. However, Kaloko has continued to provide technical, business and management

## The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

support to all the enterprises and a number have played a significant role in programmes that we do directly support.

Examples of such enterprises include:

<i>Piggery unit</i>	A private individual now runs a successful pig herd using the old piggery
<i>Dairy</i>	The last few cows have been sold and a group of women trained by Kaloko are now running their own dairy herd producing over 50lts of milk per day.
<i>Sawmill and carpentry workshop</i>	The Luansobe Carpenters Coop make use of sustainable timber processing to support schools, other programmes and to generate income.
<i>Cheese making</i>	Now that Kaloko no longer runs its own dairy herd discussions are being held with local milk producers to utilise the equipment.
<i>Honey processing</i>	Both Kaloko staff and the Beekeepers Co-op utilise the equipment to process honey.
<i>Printer’s workshop</i>	A private individual now rents the equipment and has developed a private printing business.

The Carpenters Co-op was supported in 2008 by the presence of a UK volunteer who worked with them on issues of standardisation and costing. Their turnover has been stimulated by growing orders for school desks and beehives as well as by building new furniture for the Kandulwe Health Outpost and finishing off the Kaloko Volunteer/Guest accommodation.

### **Guest Accommodation**

During 2006 Kaloko started the construction of guest accommodation to better support the wide range of visitors to the projects. These include UK staff and trustees, volunteers, consultants, donors and representatives of other NGOs. The accommodation is now complete and has been upgraded in 2008 so that Kaloko can offer good quality accommodation to up to 10 visitors at a time. This allows Kaloko to accept more volunteers and visitors in support of its projects; thus helping to increase awareness, improve outcomes and build local capacity.

During 2008 KTZ hosted four UK volunteers who worked at the local school, with the Health Clinic and with the Carpenters Coop.

### **Restructuring**

During 2006 Kaloko has worked with KTZ to undertake a review of their organisational structure and develop a new Strategic Plan (further details of this are set out in the Capacity Building section below). A major aspect of this was an organisational restructure aimed at developing and ensuring the future financial viability of KTZ’s local enterprises.

In 2008 the staff of KTZ was reduced to leave a small core group to administer the programme and a team of technical staff who manage the specific projects. It has been demonstrated that these changes have significantly reduced the administrative overheads and allow more funding to be directed towards project activities.

In January 2008 a new KTUK Director Renato Gordon was appointed and in March Mark Whitaker took over the position of KTUK Administrator.

# The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

## Future Plans

In 2009 we will:

- Continue to support KTZ to complete the implementation of their organisational restructure;
- Continue to train and support KTZ staff in the implementation of projects and the reporting to donors.

## COMMUNITY SOCIAL DEVELOPMENT

Fundamental to the long-term stability of a community is the provision of basic social services such as healthcare and education. However, Zambia is one of the poorest countries in the world, ranked 165 out of 177 countries in the Human Development Index; very little is spent on education and healthcare, and many people in rural areas have little access to medical facilities.

During 2008, the Kaloko Trust UK has continued to support a Community Social Development Programme, which aims to develop and support access to education and health services for the Luansobe community.

Class sponsorship has expanded in 2008 and with the help of 222 individual/group sponsors it now assists seven classes in Kandulwe Community School in addition to the 20 classes at LUBS and the Kaloko Crèche (a total of 1,162 children). The scholarship scheme is also helping another 35 high achievers attend high school either at LUBS or in schools in the Copperbelt and some kind UK donors have even assisted students to go on to skills training centres and tertiary education.

### Luansobe Upper Basic School (LUBS)

Kaloko continues to work in partnership with the Zambian government and parents to provide education for children in the Luansobe area, with LUBS remaining the only government registered school in the area.

The Government supplies some teachers and small grants to the school, with parents of children who are staying in the hostels required to make a contribution of food towards the overall requirement.

Kaloko meets other costs, including making contributions towards the provision and maintenance of school buildings, houses for the teachers, transport and water supplies, teaching resources and hostels for those students who live at a distance. In 2008 Kaloko paid for the repainting of several school buildings and improvements such as larger windows to let in more light in classrooms and teachers’ houses. We also provided funding to employ teachers to meet shortfalls in those posted by the Government.

Demand continues to increase for places at the school and during 2008 the school provided education to nearly 1,000 children across Grades 1-10, of whom almost 200 were boarders in hostels funded by Kaloko.

# **The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008**

## **Educational Scholarships**

We have also continued to offer financial support to those pupils who complete their primary schooling at LUBS and wish to stay on at school to complete their secondary education. In 2008 80 students were supported by our bursary scheme, including 40 girls, at a cost of over £3,000. In addition 35 children were assisted to pay fees for high school either at LUBS or in other Copperbelt secondary schools.

## **Community School Development Programme**

Despite Kaloko’s support of the Luansobe Upper Basic School, which has increased its intake every year to date, many children are still unable to secure a place. To address this some communities have developed their own Community Schools. These are built, run and financed by the community and operate outside the Government education system. Despite the best efforts of communities these are often in poor and temporary buildings, with unqualified and voluntary teachers and without basic teaching resources.

In 2006 Kaloko initiated a programme of support for the Community Schools within the Luansobe area. The programme works in partnership with the communities to develop suitable school infrastructure (i.e. two permanent classrooms, an office and two permanent houses for teachers at each location) and to help communities register their schools as government schools and to secure government support, for example government teachers and grants for resources.

In 2006 we started working with the Kandulwe community to develop their Community School. The purpose-built two-classroom block, which includes a staff office, book store and a walk-in safe for examination papers, was successfully completed in 2008. In addition, the two new teachers’ houses enable the school to attract experienced government teachers who used to be reluctant to move to Kandulwe because of inadequate housing. Kandulwe’s Parent Teacher Association, however, is not resting on its laurels, and has plans to use community funding to build two more classrooms out of local mud-bricks.

The expansion of the school means a lot to local residents, providing truly local education for over 240 children, many of whom had to walk several miles to attend Luansobe Upper Basic School. The community also now has a new health outpost served by the Rural Health Clinic, and its access to clean water and sanitation has improved with a new borehole with a hand-pump and a ‘dry toilet’ built near the school.

## **Kaloko Crèche**

The Kaloko Crèche continues to provide a vital service for working mothers, allowing them to access the employment or training opportunities offered by Kaloko and other nearby institutions. In 2006 we completed the construction of a new classroom for the crèche. Two nursery assistants look after the infants, whilst a fully qualified nursery teacher provides teaching to the older children. In addition to the early-learning opportunities for the children, they are provided with free milk and are regularly visited by staff from the Rural Health Centre. In 2008 the crèche continued to operate with a full complement of staff and children. Financial support for the crèche is raised through a sponsorship scheme and through parental contribution.

## **Kaloko Rural Health Centre (RHC)**

During 2008 Kaloko has continued its support for the Kaloko RHC. The RHC is the only health facility serving the area and as such remains an essential service to the local community of 10,000 people. Like the school, the RHC is a partnership project between Kaloko and the Zambian

## **The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008**

Government. The government provides staff and drugs, whilst Kaloko has in the past provided buildings, additional staff and logistical support, such as a vehicle and driver for outreach work, and it has supported the cost of a night guard for the clinic.

In 2008 Kaloko donated a computer and printer to the Health Clinic and continued to improve the Serenje Health Outpost with the provision of some basic furniture. This building is being used both as an outreach clinic by RHC staff who visit once a month and also as a temporary classroom for the local school.

Kaloko also supported the outreach activities of the Clinic through funding for the two new projects started in 2008 which work with the HIV/AIDS support groups; these will continue into 2009.

### **Luansobe Community HIV and AIDS Programme**

The Rural Health Clinic has three qualified staff (two nurses and one environmental health technologist), two support staff and a security guard. Kaloko Trust has been complementing the work of the government at the centre. The centre runs its programmes using a yearly budget called the Action Plan. This plan encompasses all the activities the centre undertakes annually and contains six Health Thrusts which act as priorities for the clinic. These are currently: Malaria, HIV/AIDS and STIs, Tuberculosis, Water and Sanitation, Reproductive Health, Child Health.

The Clinic has carried out 720 HIV tests and of those 197 have proved positive with 47 being women of child-bearing age. HIV infection rates for babies are estimated to be about 12% during delivery which can be reduced to around 9% if the mother is on Anti Retroviral Treatments (ARTs). 14% of infants can be infected through breastfeeding. As a consequence of the project started in 2008, and with the improved availability of free ARTs, appropriate delivery procedures and replacement feeding, many children will not become infected, with all the complications to both them and their families that this would have meant.

The current UNAIDS guidelines recommend the avoidance of breast-feeding by HIV infected mothers when replacement feeding is acceptable, feasible, affordable, sustainable and safe. This project attempts to address each of these issues within the community.

In rural Zambia many women infected with HIV deliver babies without professional help. As efforts to prevent peri-natal transmission of HIV expand, traditional birth attendants could play a key role in implementing effective interventions in poor rural settings. It has been shown that it is possible to train traditional birth attendants to perform confidential HIV counselling and encourage testing. With appropriate training, supervision, and support, traditional birth attendants could offer HIV prevention services and help with antiretroviral prophylaxis at delivery.

At the Kaloko Rural Health Clinic the nursing staff have received training in the implementation of appropriate Prevention of Mother To Child Transmission activities and have also already undertaken several HIV support group activities. With the incidence of HIV infections still rising rapidly in the area, the installation of 12 new boreholes supplying clean water, and the clinic providing anti-retroviral therapies (ARTs) to all people who are found to be HIV infected, the clinic staff are keen to apply their training.

Due to the increased use of ARTs the risk of intra-uterine transfer is very low and this project aims to reduce infection occurring during birth and through breast-feeding. Staff at the clinic will train 12 Traditional Birth Attendants in safer delivery procedures and 20 HIV infected women of child-bearing age will also receive appropriate training in correct replacement feeding practice. Accepting that there are significant risks for infants in settings with inadequate sanitation, limited

## The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

access to breast-milk substitutes, or unsafe water, the project will seek to address these concerns through training, support groups and follow up visits from qualified clinic staff.

Many women have limited financial resources with which to purchase milk formula, and the project, with the help of the local Department of Agriculture’s Technician, will start by training 20 HIV infected women and their families on improved agricultural practices (namely the production of soyabeans) which has proven a more commercially viable crop than the traditional maize crop, and could thus provide families with the income required to purchase milk formula. Only when the families have the necessary sustainable income to continue to purchase milk formula will the project then move on to the two other training components of replacement feeding for HIV infected mothers and safer delivery procedures for Traditional Birth Attendants.

At the end of the initial phase which aims at improving household income so as to enable HIV/AIDS affected mothers to buy milk-formula if they choose, a review will be undertaken before the project moves on to the next training phase. Should income be shown to be adequate, and sufficient interest has been demonstrated by the target group, the next phase of the project will seek to reduce the level of transfer of HIV/AIDS from pregnant/lactating mothers to their new-born babies through the following ;

- strengthening the Rural Health Clinic’s ability to support and advise HIV infected mothers
- training 20 HIV infected women in correct replacement infant feeding practices
- training 12 Traditional Birth Attendants in safer delivery procedures
- creating an HIV Infected Mothers’ Support Group to continue with the message after the project end
- providing a motorcycle for the clinic to allow them to extend outreach visits to the surrounding villages.

Project activities will include:

- Conducting counselling and testing for antenatal mothers
- Conducting maternal referrals when need arises
- Providing access to income generating activities for 20 HIV infected mothers
- Procuring cooking demonstration utensils and feeding logistics for 20 HIV infected mothers
- Training 20 HIV positive mothers on infant feeding options
- Training 12 Traditional Birth Attendants in community supervision of HIV infected mothers
- Forming one Support Group for HIV infected mothers
- Conducting leadership training on prevention of mother to child transmission of HIV/AIDS.

Project outcomes are expected to be:

- >10,000 members of 11 local villages benefiting from improved outreach services from the Rural Health Centre
- pregnant women in 11 villages benefiting from the improved services from 12 trained Traditional Birth Attendants (TBAs) to achieve significant health risk reduction during deliveries which they perform
- 12 Traditional Birth Attendants (TBAs) benefiting from reduced risk to themselves of being infected by HIV during deliveries
- 20 families with People Living with AIDS (PLWA) receiving better returns for agricultural produce thus improving their ability to purchase milk formula
- new-born babies of 20 HIV infected mothers benefiting from reduced risk of being infected by HIV

# The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008

## Future Plans

In 2009 Kaloko will:

- Continue to provide support to the various projects within the Community Social Development Programme including the sponsorship programme
- Start the new Community School Development Project at Kwesha with the classroom block planned for completion in 2009
- Implement the two HIV/AIDS food security projects
- Increase support for the crèche through the sponsorship programme, and improve communications with sponsors.

## CAPACITY BUILDING

A major part of Kaloko Trust UK's work continues to be building the capacity and capability of our local partner in Zambia, KTZ. This has included all areas of work and aims to help KTZ to develop as an organisation and its staff to develop as employees. Specific ways in which we have supported capacity building in 2008 included:

- Regular field visits to Zambia by the KTUK Director to support the development of KTZ's capacity.
- Regular training for KTZ staff on project design, implementation and reporting
- Recruiting and supporting four volunteers with technical skills in support of specific projects or capacity building needs.

## Future Plans

In 2009 KTUK will:

- Continue to support the development of KTZ's overall management capacity, including specific support to help develop local governance, financial management and programme and project management
- Support KTZ to implement its new Strategic Plan, and specifically to complete the restructuring exercise contained within this
- Provide training for KTZ staff in Child Protection issues and project design, implementation and reporting.

## Financial Review

Overall income increased slightly from the previous year, particularly towards the end of 2008. Income in 2009 is expected to be significantly higher than 2008 as project implementation has accelerated and donors have released funding for subsequent phases of activity on existing projects, and agreed funds for new projects. Overall expenditure was similar to 2007. Debtors and creditors were also maintained at similar levels to 2007.

## Reserves Policy

Unrestricted income was lower than hoped for and fell short of unrestricted expenditure by £14,000. Designated funds of £10,000 to support restructuring in Kaloko Trust Zambia were

# The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008

released as anticipated and a further £5,000 has been set aside in 2008 for this major exercise. General unrestricted funds were £9,000 lower than the previous year and approximately £20,000 below the target for unallocated reserves. As anticipated last year it will take some time to rebuild unrestricted reserves after committing funds to the restructuring exercise in Zambia and it is unlikely these reserves will begin to increase again until 2010. Trustees have agreed to review Kaloko Trust's free unrestricted reserve policy in 2009 as this has not been done for a number of years.

## Grant-Making Policy

The trustees consider that grant making to local partners is an effective means of achieving Kaloko's objectives. Support for our partner in Zambia, KTZ, is made according to an annual plan and budget drawn up by the partner and agreed by Kaloko. The agreed budget forms the basis for the schedule of grants for the year. Progress against the plan and budget is reviewed during the course of the year and the grant schedule may be adjusted if trustees feel this is necessary, subject to availability of funds.

## Investment Policy

KTUK has minimal surplus funds, all of which are required in the short term for on-going operations. Trustees have agreed a policy of investing any surplus funds in a safe charities deposit fund earning reasonable interest which also allows instant access.

## Funding

Without the help of our donors Kaloko's work would not be possible. We would like to thank everyone who has supported us with donations and assistance during 2008. Major donors and supporters include:

3 Oaks Trust	Morel Trust
Greendale CT	Oakdale Trust
Innocent Foundation	Paget Trust
R Farquhar-Oliver Trust	Accrington IWC
Alistair Berkley Charitable Fund	Barfield School
E H Smith Charitable Trust	Barrhead RC
Franklin, Dr Rodney	Boscombe & Southbourne RC
Just Trust	Bridlington School
Marianne Fund	Cambuslang RC
Christchurch Missions Committee	Mendip Inner Wheel Club
Christchurch, Hitchin	Newport RC
Congleton Dane RC	Nomansland School
Cwmbran United Reformed Church Ladies Guild	Normanton RC
Farnborough Hill School	Oundle IWC
Fleetwood RC	Penrith RC
Glastonbury & Street RC	Priory Primary School
Harrogate Lions Club	Saffron Walden RC
Hendon RC	Saltash Inner Wheel Club
Holmfirth Methodist Church	Scalby School
Humberside RC	Scarborough IWC
Lytham St Annes Lions Club	Scunthorpe Pentagon RC
Market Bosworth RC	Sidcup RC

## **The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008**

St John the Baptist Look-Out Committee  
St Mary's Church  
Stamford Burghley IWC  
Trinity Methodist Church  
Ulverston R C  
Watford Rotary International Students Trust  
Willerby Methodist Church Men's Breakfast Club  
Willerby Methodist Wives Group  
Mr R Barnes  
Ms A Dickinson  
Mr J Eickhoff  
Mr R Gardner  
Mr A Hogarth  
Mr A Hopper  
Mr C Hughes  
Mr J Mathews  
Mrs F May  
Prof G and Mrs R Wedell  
Mr P and Mrs J Woodgate  
His Excellency the Zambian High Commissioner

# The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

## Statement of trustees’ responsibilities for an unincorporated Charity

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments 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 business.

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 1993, the Charity (Accounts and Reports) Regulations 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.

We confirm the Annual Report and Accounts here produced comply with the requirements listed above, are approved by the Trustees, and are signed on behalf of the Trustees on

20/9/09 (Date)

  
Jim Smyllie  
Chair and Trustee

# The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008

## Independent Examiner's Report to the Trustees of the Kaloko Trust UK

I report on the accounts of the Trust for the year ended 31 December 2008, which are set out on pages 20-24.

### Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3)(a) of the 1993 Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act); and
- state whether particular matters have come to my attention.

### Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from you as trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

### Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements to:
  - keep proper accounting records in accordance with section 41 of the 1993 Act; and
  - prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 1993 Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed



Date

1<sup>st</sup> October 2009

Details:

C.R. Tyler FCA. DChA  
Clark Brownscombe  
8 The Drive  
Hove East Sussex  
BN3 3JT  
Tel: 01273 739277

# The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008

THE KALOKO TRUST UK  
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

## Statement of Financial Activities

	Notes	Unrestricted Funds £	Restricted Funds £	2008 Total Funds £	2007 Total Funds £
<b>Incoming resources</b>					
Voluntary Income	2	27,889	65,070	92,959	80,280
Investment Income	3	3,091	9	3,100	5,951
<b>Total incoming resources</b>		<b>30,980</b>	<b>65,079</b>	<b>96,059</b>	<b>86,231</b>
<b>Resources expended</b>					
<b>Cost of generating funds</b>					
Fundraising costs	4	9,936	-	9,936	6,721
<b>Charitable Activities</b>					
	5				
Agricultural Support & Development		3,834	1,149	4,983	11,497
Natural Resource Management		7,511	22,812	30,323	19,960
Enterprise Development		5,708	14,538	20,246	44,232
Community Social Development		15,050	51,553	66,603	51,572
		<u>32,103</u>	<u>90,052</u>	<u>122,155</u>	<u>127,260</u>
<b>Governance costs</b>	6	2,567	-	2,567	1,821
<b>Total resources expended</b>		<b>44,606</b>	<b>90,052</b>	<b>134,658</b>	<b>135,802</b>
Net incoming (outgoing) resources before transfers		(13,626)	(24,973)	(38,599)	(49,571)
Total funds brought forward per 2007 Accounts		39,629	68,159	107,788	157,359
Prior year adjustment	14	2,274	(2,274)	-	-
Corrected funds brought forward		41,903	65,885	107,788	157,359
<b>Total funds carried forward</b>		<b>28,277</b>	<b>40,912</b>	<b>69,189</b>	<b>107,788</b>

# The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

THE KALOKO TRUST UK  
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

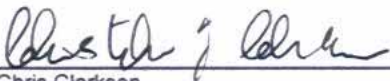
## Balance Sheet

	Notes	2008 £	2007 £
<b>Fixed Assets</b>	9	<u>-</u>	<u>-</u>
<b>Current Assets</b>			
Debtors	10	9,770	9,919
Cash at bank and in hand		<u>62,331</u>	<u>100,908</u>
		72,101	110,827
Creditors: Amounts falling due within one	11	2,912	3,039
<b>Net Current Assets</b>		<u>69,189</u>	<u>107,788</u>
<b>Total assets less current liabilities</b>		<u>69,189</u>	<u>107,788</u>
<b>Net Assets</b>		<u>69,189</u>	<u>107,788</u>
<b>Funds</b>		<b>2,008</b>	<b>2,007</b>
		£	£
<b>Unrestricted Income Funds</b>			
Designated		5,000	10,000
General	14	<u>23,277</u>	<u>29,629</u>
		28,277	39,629
Restricted Income Funds	14	40,912	68,159
<b>Total Funds</b>	12	<u>69,189</u>	<u>107,788</u>

Approved by the Trustees on

20/9/09

Signed on behalf of the Trustees

  
Chris Clarkson  
Treasurer and Trustee

# The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

THE KALOKO TRUST UK  
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

## Notes to the Accounts

### 1. Accounting Policies

- a) The accounts of the charity are prepared in accordance with Trust Law and with the Statement of Recommended Practice ‘Accounting & Reporting by Charities’ issued in March 2005 and with applicable accounting standards. The Accounts are drawn up on the historical cost accounting basis.
- b) Income from trusts and charitable institutions and investment income (including bank interest) is accounted for on a receivable basis. Income from individuals is included when received. All income is shown gross of taxation recoverable.
- c) Unrestricted funds are general funds that are available for use at the trustees’ discretion in furtherance of the objects of the charity. Unrestricted funds are further subdivided into designated and general. Designated funds are those which Trustees have earmarked for a particular purpose. Restricted funds are those donated for a particular project or activity, the use of which is restricted to that project or activity. Income for projects includes a percentage for UK management and office costs, where permitted by the donor. This is shown as unrestricted income in the accounts.
- d) Expenditure is included when incurred. Grants to our partner organisation, Kaloko Trust Zambia are also included when incurred. The majority of costs are attributable to specific activities. Costs of generating funds are those costs incurred in attracting voluntary income. Governance costs are those costs incurred in the governance of the charity’s assets and are primarily associated with constitutional and statutory requirements.
- e) Management and office costs are included in support costs. Support costs are apportioned to charitable activities, to costs of generating funds and to governance costs in the Accounts on the basis of time spent on each activity as estimated by management.
- f) Transactions in foreign currency are translated at rates prevailing on the day of the transaction. There were no balances held in foreign currency at the year end.
- g) Fixed assets consist of office equipment which is depreciated on a straight line basis over 3 years. Only assets costing in excess of £100 per item are capitalised.
- h) The Kaloko Trust Zambia staff retention fund is funded from unrestricted donations or from restricted funds where permitted by the donor. The funds are used to provide long service bonuses to Kaloko Trust Zambian staff to encourage staff retention.

### 2. Voluntary Income

Donation and grant income for the year is analysed by source and fund as follows, with Charitable Trusts grants in excess of £2,500 identified separately.

	Unrestricted funds	Restricted funds	2008 Total	2007 Total
	£	£	£	£
Parthenon Trust	-	-	-	8,000
3 Oaks Trust	5,000	10,000	15,000	5,000
innocent foundation	-	11,198	11,198	6,729
Farquhar Oliver Trust	2,785	-	2,785	2,785
Broome Farm	-	-	-	2,525
Greendale Trust	-	5,000	5,000	-
Anonymous	1,061	-	1,061	779
Other Trusts	4,900	500	5,400	2,550
Clubs, Societies and Groups	1,424	8,427	9,851	14,578
Individuals	12,719	29,945	42,664	37,334
	<u>27,889</u>	<u>65,070</u>	<u>92,959</u>	<u>80,280</u>

### 3. Investment Income

Investment income is wholly comprised of interest earned on deposit accounts

### 4. Cost of generating funds

As a small charity Kaloko Trust UK has no direct fundraising costs and the analysis below represents an allocation to fundraising of our overall support costs as set out in Note 7

	Unrestricted funds	Restricted funds	2008 Total	2007 Total
	£	£	£	£
Support costs allocated	<u>9,936</u>	-	<u>9,936</u>	<u>6,721</u>

# The Kaloko Trust UK – Trustees’ Annual Report & Accounts 2008

## THE KALOKO TRUST UK ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

### 5. Resources expended on charitable activities

The amount spent on charitable activities, including support costs, is analysed by programme activity in the table below. All grants are to partner organisation Kaloko Trust Zambia. Project costs are costs incurred by Kaloko Trust UK that directly relate to programme activity.

	Grants £	Project Costs £	Support Costs £	2008 Total £	2007 Total £
Agricultural Support & Development	447	810	3,726	4,983	11,497
Natural Resource Management	20,453	7,386	2,484	30,323	19,960
Enterprise Development	13,504	4,258	2,484	20,246	44,232
Community Social Development	46,590	16,287	3,726	66,603	51,572
	<u>80,994</u>	<u>28,741</u>	<u>12,420</u>	<u>122,155</u>	<u>127,260</u>

### 6. Governance costs

Governance costs for the year relate to the direct costs of trustees meetings and an allocation of overall support costs as set out in Note 6. No fees were paid to trustees in 2008 (nil in 2007). There was £ 587.50 of fees payable towards the examination of the 2007 Annual Report & Accounts (nil in 2006).

	2008 £	2007 £
Trustee's meetings expenses	83	141
Other direct costs	-	-
Support costs allocated	2,484	1,680
	<u>2,567</u>	<u>1,821</u>

### 7. Support Costs

As a small charity our support costs consist of only two elements: management (principally salaries) and general office costs. These costs have been apportioned across the work of the charity on the basis disclosed in note 1(f) as set out in the table below.

Basis of apportionment	2008		2007	
	Management £ (Time)	Office costs £ (Time)	Total £	Total £
Income generation	6,399	3,537	9,936	6,721
<b>Charitable activities</b>				
Agricultural Support & Development	2,399	1,327	3,726	2,520
Natural Resource Management	1,600	884	2,484	1,680
Enterprise Development	1,600	884	2,484	1,680
Community Social Development	2,399	1,327	3,726	2,521
	<u>7,998</u>	<u>4,422</u>	<u>12,420</u>	<u>8,401</u>
<b>Governance</b>	1,600	884	2,484	1,680
<b>Total costs allocated</b>	<u>15,997</u>	<u>8,843</u>	<u>24,840</u>	<u>16,802</u>

### 8. Employees and staff costs

The charity had two part-time employees during the period. The Administrator's was based in Brighton, UK and the Director's time was divided between the UK and Zambia.

	2008 £	2007 £
Salary costs		
Gross salaries	36,316	38,958
Employers national insurance	3,012	1,940
	<u>39,328</u>	<u>40,898</u>

# The Kaloko Trust UK – Trustees' Annual Report & Accounts 2008

## THE KALOKO TRUST UK ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

<b>9. Fixed assets - equipment</b>	<b>Cost</b>	<b>Depreciation</b>	<b>Net Value</b>		
	<b>£</b>	<b>£</b>	<b>£</b>		
As at 1st January 2008	1,962	(1,962)	-		
Additions	-	-	-		
Depreciation for the year	-	-	-		
<b>As at 31st December 2008</b>	<b>1,962</b>	<b>(1,962)</b>	<b>-</b>		
<b>10 Debtors</b>	<b>2008</b>	<b>2007</b>			
	<b>£</b>	<b>£</b>			
Income tax recoverable	9,216	8,733			
Accrued income	554	1,186			
<b>Total</b>	<b>9,770</b>	<b>9,919</b>			
<b>11 Creditors falling due within one year</b>	<b>2008</b>	<b>2007</b>			
	<b>£</b>	<b>£</b>			
Other creditors - PAYE	2,691	-			
Accrued expenditure	221	3,039			
<b>Total</b>	<b>2,912</b>	<b>3,039</b>			
<b>12 Fund Movements</b>					
<b>Transfers:</b>					
	<b>Opening Balance</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Closing Balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Agricultural Support & Development	5,632	230	1,149	-	4,713
Natural Resource Management	35,838	11,192	22,812	-	24,218
Enterprise Development	-	17,083	14,537	-	2,546
Community Social Development	24,409	36,565	51,554	-	9,420
Kaloko Trust Zambia Staff Retention Fund	6	9	-	-	15
<b>Restricted Funds</b>	<b>65,885</b>	<b>65,079</b>	<b>90,052</b>	<b>-</b>	<b>40,912</b>
<b>Designated Funds</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>(5,000)</b>	<b>5,000</b>
<b>General Unrestricted Funds</b>	<b>31,903</b>	<b>30,980</b>	<b>44,606</b>	<b>5,000</b>	<b>23,277</b>
<b>Total Funds</b>	<b>107,788</b>	<b>96,059</b>	<b>134,658</b>	<b>-</b>	<b>69,189</b>
<b>13 Analysis of net assets between funds</b>					
	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Tangible fixed assets	-	-	-	-	
Cash at bank and in hand	23,489	5,000	33,842	62,331	
Net current assets (excluding cash)	(212)	-	7,070	6,858	
<b>Total</b>	<b>23,277</b>	<b>5,000</b>	<b>40,912</b>	<b>69,189</b>	
<b>14</b>	In the 2007 Statement of Financial Activities and Balance Sheet £2,274 was incorrectly charged against unrestricted funds instead of restricted funds. In the Statement of Financial Activities this has been corrected with a prior year adjustment line. In the Balance Sheet the 2007 funds brought forward have been amended to the correct figures. 2007 Notes to the Accounts were not affected by the error.				