

Registered Charity No. 1120876

**THE BRITAIN-NIGERIA EDUCATIONAL TRUST
ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

THE BRITAIN-NIGERIA EDUCATIONAL TRUST
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FOR THE YEAR ENDED 31 DECEMBER 2009

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THE BRITAIN-NIGERIA EDUCATIONAL TRUST
REPORT OF THE CHARITY TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2009

STATUS AND ADMINISTRATION

The Trust is a registered charity, number 1120876 governed by its Constitution dated September 4, 2007. It was previously known as 'The Alhaji Sir Abubakar Tafawa Balewa Memorial Trust' which had been founded in 1968 by members of the Britain-Nigeria Association to honour and perpetuate the memory of Nigeria's first Prime Minister. The assets and continuation of existing activities of that trust migrated to The Britain-Nigeria Educational Trust on December 31, 2007.

PRINCIPAL ACTIVITY

The broad aim of the Educational Trust is to promote friendship and understanding between the UK and Nigeria by providing financial support to advance the education of Nigerian students and to assist in the provision of resources and facilities for education in Nigeria.

TRUSTEES

The Trust is administered by a Board of Trustees of not less than seven in number who shall normally serve for a three-year term. One third of the Board is therefore re-elected at each Annual General Meeting. The appointment of Trustees and Officers is made in accordance with Rule 5 of the Constitution with one seat permanently reserved for The High Commissioner for Nigeria to the United Kingdom.

The following served as Trustees during the year: -

Mr D R Reeves, MBE	(Chairman)	
Professor L J Bown, OBE		
Mr D K O Brandler		
Mr G M Clark	(Secretary)	
Mr C R Clarke, OBE		Resigned 1 April 2009
Mr T Cooke		Appointed 17 November 2009
Professor G L Furniss		Appointed 3 September 2009
General (Dr) Y D Gowon		
Mr A J Green		Appointed 12 March 2009
Chief D H Griffin	(Vice Chairman)	
Mr J R Lee	(Treasurer)	
Mr A Oladimeji		
Mr K M Rafferty		
Mr J B Smith		Resigned 16 July 2009
Mr J C P Storey		
Mr A R P Williams		
Mr G A Zakari		Resigned 17 February 2009
HE The High Commissioner for Nigeria to the UK		Appointed 12 March 2009

TRUSTEE RECRUITMENT and TRAINING

Potential Trustees are identified by members of the Board and considered against the Board's requirements concerning availability, eligibility, competence and specialist skills. Achieving a balance of experience and backgrounds with first-hand knowledge of Nigeria is the objective.

Members of the Board will necessarily have an interest in the welfare and progress of Nigeria's population.

Prospective Trustees are invited to attend a Board Meeting prior to accepting the role to help them gain an understanding of the work and aims of the Trust and are required to sign the Charity Commission's "Declaration of Eligibility" before their appointment. Following election they are briefed by the Chairman and provided with further information about the Trust and their role within it. They receive copies of the Constitution, the latest Report and Accounts and a copy of the Charity Commission publication "The Essential Trustee". All Trustees are kept up to date on charity issues through the Charity Commission's regular bulletins and newsletters. Attendance at relevant courses may be considered as necessary.

THE BRITAIN-NIGERIA EDUCATIONAL TRUST
REPORT OF THE CHARITY TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2009

PROFESSIONAL ADVISORS AND KEY PERSONNEL

Chairman	Mr D R Reeves, MBE
Vice Chairman	Chief D H Griffin
Secretary	Mr G M Clark
Treasurer	Mr J R Lee
Membership Secretary	Mr K M Rafferty
Address	2 Vincent Street London SW1P 4LD
Bankers	HSBC Bank plc Rochester Row Branch 166 Vauxhall Bridge Road London SW1V 2RB
Independent Examiners	Horwath Clark Whitehill LLP Aquis House 49-51 Blagrove Street Reading RG1 1PL
Resident Representative (Nigeria)	Engineer G Ojieh 677 Emma Adubifa Street, Omole 2 PO Box 19779, Ikeja Lagos, Nigeria

MEMBERSHIP

The Trust welcomes, in both the United Kingdom and Nigeria, individuals over the age of eighteen, institutions and companies who are interested in supporting its charitable objects. The benefits of membership include a newsletter, a quarterly digest that provides information about current affairs in Nigeria and various fundraising functions. A valuable and regular income is derived through membership subscriptions.

Protection of its member's personal information is a commitment of the Trust, which is registered with the Information Commissioner's Office under number Z1107800.

REVIEW OF THE YEAR

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's purposes and aims, and when planning future activities. In particular how planned activities will contribute to the achievement of the objectives and aims.

The economic downturn of 2009 severely reduced the income derived through bank interest and dividends yielding only £9,037, a reduction of more than 50% over the previous year. Membership subscriptions, at £5,603, were less than expected but these were enhanced by a credit of £791 through Gift Aid. Donations included £5,000 from the National Universities Commission, Abuja, while Arik Air International, a corporate member, generously funded the cost of the Trust's first Annual General Meeting held on July 16, 2009. Regional functions and the sale of Christmas cards also made a valuable contribution towards the total income to £28,392.

THE BRITAIN-NIGERIA EDUCATIONAL TRUST
REPORT OF THE CHARITY TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2009

REVIEW OF THE YEAR (continued)

This income was fully disbursed in support of the Trust's on-going commitments. Phase I of the E-Learning Centre at Benin University, completed in 2008, is now fully operational and £6,809 was released as the Trust's undertaking to fund the broadband rental fees for its first year only. Progress with the building of a girls' secondary school at Umutu has been disappointingly slow and no further funds were released during the year. However, the school has managed to open, but on a limited scale, admitting its first intake of students on September 14, 2009. The Catholic Diocese of Warri has undertaken to fund the completion of the present infrastructure, as was the Trust's original agreement with them, and this will be sufficient for the school to handle student intake for two years.

A further grant of £1,000 was allocated to the Gethsemane Rehabilitation Centre, Jos which provides support and education to orphaned children and the charity Hope for the African Village Child received £1,500 for learning books and other educational materials. As part of its continuing support to raise the awareness of Nigeria's culture and history, a grant of £1,500 was given to African Legacy towards the restoration of a museum at the *Akodi Afrika* cultural centre.

The Trust has maintained its sponsorship of a VSO volunteer (£2,000) with a two-year placement of a Teacher Trainer to the College of Education, Akwanga. Following the success of the first Tafawa Balewa Teacher Training Award scheme (90% graduation) a second award has been implemented through the National Teachers Institute, Kaduna. A further 37 teachers, one from each State as before, have been given grants to cover their upgrading course fees over the next three years, a funding undertaking (2009-2011) of £7,000 per annum.

Continuing grants totalling £815 were awarded to three Nigerian students for their fees at Delta State University (2) and Anambra State University (1). A fourth student was awarded a grant of £1,500 to complete the final year of his studies at Newcastle University for a PhD in Literature/Creative Writing. The Trust was delighted to note his story *The One-Armed Thief* was selected winner from over 5,000 entries for the African region in the 2009 Commonwealth Short Story competition. His first novel *The Shadow of a Smile* was published by Alma Books in October 2009.

In support of the newly established Commonwealth Scholarship and Fellowship Plan (CSFP) the Trust has agreed to contribute £10,000 per annum over five years towards the establishment of a visiting fellowship at the University of Ibadan. The purpose of the Fellowship, which will be known as The Britain-Nigeria Educational Trust Commonwealth Fellowship, is to assist in the University's planned programme of development as an international centre for postgraduate training and research. The Fellowship will fund the appointment, annually, of a senior visiting academic to work with university colleagues for a period of up to three months in all aspects of teaching, supervision, mentoring and joint research. This Fellowship is part of the Trust's strategy to make a permanent and noticeable impact on education in Nigeria.

In an important step forward local representation has been established with the appointment of Engr. Greg Ojeh. Designated Resident Representative, Nigeria and based in Lagos his role is to monitor the benefit of disbursements, control major projects, identify and evaluate new opportunities and to develop a valuable Naira income through support from Nigerian corporate members.

There was a disappointing decline in membership numbers, which fell from 395 to a closing strength of 313. This was mainly due to fewer members (90) than previously anticipated transferring from The Britain-Nigeria Association. There were eight new individual members while Arik Air International Limited took out corporate membership. Regional functions were voluntarily organised during the year, two for Sussex Branch in June and October, and one for the Scottish Branch also in October. In November the traditional London reception was again generously hosted by the Nigeria High Commissioner. Members also enjoyed the opportunity, on two occasions, to privately view the Benin Bronzes at the British Museum. Each of these events generated a modest profit.

There was an operating deficit of £12,928, which was funded out of capital

THE BRITIAN-NIGERIA EDUCATIONAL TRUST
REPORT OF THE CHARITY TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2009

INVESTMENT POLICY

The objective is to maximise investment income so as to achieve a balance between income and expenditure thus limiting the need to fund out of capital. Stock Exchange investments now value at £93,242, an increase of 13.3% over 2008 (£82,289). No new investments are planned until the financial market and trading conditions improve.

The Trustees have taken the view, in light of the present economic climate, to keep capital safe by maximising interest income through the money market. The Trustees generally have an overall "risk-averse" attitude to investments.

The Trustees have an overall "risk-averse" attitude to investments.

RESERVES POLICY

To safeguard the future of the Trust, expenditure will normally be limited to the income derived through investments, membership subscriptions, annual appeals, bequests, regular Gift Aid donations and the sale of merchandise. However, the Trustees will consider some capital expenditure where significant and controllable projects are identified (such as a grant for a building, school extension or the endowment of a university chair/faculty) if BNET's name can be promoted. Such major capital projects are subject to a Memorandum of Understanding signed by the parties involved.

GRANT MAKING POLICY

To maximise the benefit of the Trust's limited financial resources applications for financial support are considered under three distinct categories. These are Students, Small Grants and Associated Grants.

Grants to students may be considered for undergraduates who have been recommended by either a BNET member or a person known by a Trustee or by a senior academic responsible for the student's work. Direct applications by students are not permissible.

Small Grants cover applications that have no on-going commitment or administrative requirement and are limited to a maximum award of £5,000. The Resident Representative regularly monitors all small grant awards.

Associated grants cover applications from other organisations who themselves are financially committed to the support of education in Nigeria. The condition of participation with a partner organisation is that they would be responsible for administration and management of any award. Such awards are limited to a maximum of £10,000 per annum for a period not exceeding five years.

RISK MANAGEMENT

The Trustees continue to keep the Trust's activities under review, particularly with regard to any major risks that may arise from time to time. The major risks identified by this process have been mitigated to an acceptable level by internal control systems, insurance cover, third party project reports and other procedures as considered appropriate from time to time.

THE BRITIAN-NIGERIA EDUCATIONAL TRUST
REPORT OF THE CHARITY TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2009

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES FOR THE ACCOUNTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net outgoing resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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. 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.

Approved by the Board of Trustees on
And signed on their behalf by

Derek R. Reeves, MBE
Chairman

THE BRITAIN-NIGERIA EDUCATIONAL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008
INCOMING RESOURCES			
Incoming resources from generated funds:			
Voluntary Income	2	14,247	664,191
Activities for generating funds	3	3,336	6,754
Investment Income	4	9,037	25,691
Members meetings		<u>1,772</u>	-
Total incoming resources		<u>28,392</u>	<u>696,636</u>
RESOURCES EXPENDED			
Costs of generating funds:			
Costs of generating voluntary income		799	1,547
Charitable activities	5	35,056	84,290
Governance costs	8	<u>5,465</u>	<u>6,680</u>
Total resources expended		<u>41,320</u>	<u>92,517</u>
NET (OUTGOING)/INCOMING RESOURCES		(12,928)	604,119
Gains/(Losses) on investments	10	<u>10,953</u>	<u>(18,161)</u>
NET MOVEMENT IN FUNDS		(1,975)	585,958
FUND BALANCE AT 1 JANUARY 2009 (2008)		<u>585,958</u>	-
FUND BALANCE AT 31 DECEMBER 2009 (2008)		<u>583,983</u>	<u>585,958</u>

The notes on pages 8 to 11 form part of the accounts

THE BRITAIN-NIGERIA EDUCATIONAL TRUST
BALANCE SHEET AT
31 DECEMBER 2009

	Notes	£	2009	£	2008
FIXED ASSETS					
Investments	10		93,242		<u>82,289</u>
CURRENT ASSETS					
Debtors	11		-		231
Cash at bank		<u>493,091</u>			<u>505,738</u>
			493,091		505,969
CREDITORS: Amounts falling due within one year	12	<u>2,350</u>			<u>2,300</u>
NET CURRENT ASSETS			<u>490,741</u>		<u>503,669</u>
NET ASSETS			<u>583,983</u>		<u>585,958</u>
 REPRESENTED BY:					
Unrestricted funds			<u>583,983</u>		<u>585,958</u>

Approved by the Trustees on
And signed on their behalf by:

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Derek R. Reeves, MBE

THE BRITAIN-NIGERIA EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES

a) Basis of Preparation

The accounts are prepared under the historical cost convention as modified by the adoption of market value for certain investment assets and in accordance with applicable accounting standards and the current Statement of Recommended Practice on accounting and reporting by charities: the Charities SORP 2005 and the Financial Reporting Standard for Smaller Entities (April 2008).

The accounts have been prepared on a going concern basis.

b) Income

All income is accounted for gross when receivable.

c) Expenditure

Expenditure is accounted for on an accruals basis and allocated to the fund to which it relates.

d) Grants

Grants payable are recognised as expenditure in the year in which a binding commitment to make payments is entered into.

e) Fund Accounting

Unrestricted funds held by the charity are those which can be used in accordance with the charitable objectives at the discretion of the Trustees.

2. VOLUNTARY INCOME

	2009	<i>2008</i>
	£	
Assets transferred from:		
The Britain-Nigeria Association	-	83,291
The Alhaji Sir Abubakar Tafawa Balewa Memorial Trust	-	572,765
Memberships	5,603	6,564
Tax reclaim	791	825
Donations	5,328	746
AGM Sponsorship	<u>2,525</u>	<u>-</u>
	<u><u>14,247</u></u>	<u><u>664,191</u></u>

THE BRITAIN-NIGERIA EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

3. ACTIVITIES FOR GENERATING FUNDS		2009	<i>2008</i>
		£	
Sale of Christmas cards		<u>3,336</u>	<u><i>6,754</i></u>
4. INVESTMENT INCOME		2009	<i>2008</i>
		£	
Bank interest		4,768	<i>21,298</i>
Income from Unit Trusts and Bonds		<u>4,269</u>	<u><i>4,393</i></u>
		<u>9,037</u>	<u><i>25,691</i></u>
5. CHARITABLE ACTIVITIES		2009	<i>2008</i>
		£	
Grants (note 6)		22,172	<i>71,829</i>
Support costs (note 7)		<u>12,884</u>	<u><i>12,461</i></u>
		<u>35,056</u>	<u><i>84,290</i></u>
6. GRANTS		2009	<i>2008</i>
		£	
VSO	- (1 grant - individual)	2,000	<i>9,500</i>
Student Grants	- (4 grants - individual)	2,315	<i>4,461</i>
Aleka Academy	- (1 grant - institutional)	-	<i>7,500</i>
Hope for the African Child		1,500	<i>2,520</i>
Gethsemane		1,040	<i>5,021</i>
UNIBEN project		6,809	<i>7,953</i>
National Teachers Institute		7,008	<i>-</i>
African Legacy		1,500	<i>-</i>
Girls School Umutu		<u>-</u>	<u><i>34,874</i></u>
		<u>22,172</u>	<u><i>71,829</i></u>

THE BRITAIN-NIGERIA EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

7. SUPPORT COSTS

	2009 £	2008
Members meeting	994	-
Administrator	4,160	5,590
Nigerian Supervisor expenses	350	-
Telephone	213	373
Office rent	1,411	1,858
Printing, postage and stationery	2,898	4,640
Bank charges	10	-
AGM costs	<u>2,848</u>	<u>-</u>
	<u><u>12,884</u></u>	<u><u>12,461</u></u>

8. GOVERNANCE

	2009 £	2008
Board Meetings	2,450	3,626
Audit	-	2,300
Independent Review	2,615	-
Trustees Liability Insurance	<u>400</u>	<u>754</u>
	<u><u>5,465</u></u>	<u><u>6,680</u></u>

9. STAFF COSTS (INCLUDING TRUSTEES)

Wages and salaries	<u>4,160</u>	<u>5,590</u>
Number of staff during the year (part time):		
Administration	<u>1</u>	<u>1</u>

Expenses reimbursed to two Trustees during the period totalled £379 (2008: £461)
 No trustees received any remuneration during the period.

10. INVESTMENTS

	2009 £	2008
Market value 1 January 2009 (2008)	82,289	-
Additions	-	100,450
Disposals	-	-
Net unrealised gain/(loss)	<u>10,953</u>	<u>(18,161)</u>
Market value at 31 December 2009 (2008)	<u><u>93,242</u></u>	<u><u>82,289</u></u>

The investments were donated to the charity by The Britain-Nigeria Association and The Alhaji Sir Abubakar Tafawa Balewa Memorial Trust.

All investments are listed.

THE BRITAIN-NIGERIA EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

11. DEBTORS

	2009 £	<i>2008</i>
Other debtors	<u> -</u>	<u> 231</u>

12. CREDITORS

	2009 £	<i>2008</i>
Audit fees	-	2,300
Independent exam fee	<u> 2,350</u>	<u> -</u>
	<u> 2,350</u>	<u> 2,300</u>

13. CONTINGENT LIABILITIES

The trustees have committed to contribute £10,000 per annum over five years to the Commonwealth Scholarship and Fellowship Plan towards the establishment of a visiting fellowship at the University of Ibadan. The programme has not yet been established and depends on the successful outcome of the selection process.

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF THE BRITAIN-NIGERIA EDUCATIONAL TRUST

We report on the accounts of the Britain-Nigeria Educational Trust for the year ended 31 December 2009, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes.

This report is made solely to the Charity's Trustees, as a body, in accordance with s.43(3) of the Charities Act 1993. Our examination has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our examination, for this report, or for the opinions we have formed.

Respective responsibilities of members of the Trustees and the examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider 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 our responsibility to:

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

Basis of independent examiner's report

Our 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 a consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently we do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

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

Aquis House
49 – 51 Blagrove Street
Reading

HORWATH CLARK WHITEHILL LLP
Chartered Accountants

2010