

THE BEACON EQUITY TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 JULY 2022

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their annual report. The financial statements of the charity for the year ended 31 July 2022 are available on the Companies House website at www.companieshouse.gov.uk. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06952392 (England and Wales)

Registered Charity number

1132994

Registered office

Sandells House
Cliftons Lane
Reigate
Surrey
RH2 9RA

Trustees

A Sood
Mrs A M Sood
H J Sood

Company Secretary

A Sood

Independent examiner

John Williams and Co
Chartered Accountants
Chart House
2 Effingham Road
Reigate
Surrey
RH2 7JN

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, as defined by the Companies Act 2006, incorporated on 9 November 2009, and registered as a charity on 26 November 2009. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Trustees

There are two principal Trustees - Ajay Sood and Antonia Sood. A third Trustee, Hari Sood, is aware of his duties and obligations as a Trustee.

Traditional business, legal and management skills are represented in the current Trustees, as well as past experience of work in the third world aid sector focusing on Sub-Saharan Africa. The Trustees usually visit East Africa to maintain contact with local developments, market the charity, and meet Scholars and Heads of Beacon Partner Schools. Though this was not possible in 2021/22 due to travel restrictions imposed by the COVID-19 pandemic, visits to all 4 countries in which we operate are planned for early 2023. The Trustees are nevertheless in regular contact with Scholars and Staff, including local Staff, via zoom.

Risk management

Given the risk of corruption in developing countries, all disbursements are managed directly in the United Kingdom and overseen by a Trustee. Accounts are filed at Companies House following preparation and review by UK chartered accountants.

Parental submissions to prove financial need are extensive and require tax and payroll records for validation. Our financial disclosure process ensures, as rigorously as possible, that fraud and misrepresentation risks are minimised.

Also in place and regularly reviewed are:

1. Safeguarding Policy, which all staff, contractors and non-school Mentors have to read and sign.
2. Privacy Policy complying with the EU General Data Protection Regulation (GDPR).
3. Pay Policy for Independent Contractors and Consultants.

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OBJECTIVES AND ACTIVITIES

Purposes and aims

Our charity's main purpose as set out in the objects contained in the company's Memorandum of Association, is to promote the education of people under the age of 25 through scholarships and grants anywhere in the world.

The aim is to develop leadership potential in young people and provide access to local world-class schools and international universities for especially talented and gifted children who in the future will have the confidence

and ability to become leaders in their chosen fields in their home country; such an education would otherwise be significantly beyond their parents' means.

Strategies to deliver our aims

Continuing to follow the development plan, we have further expanded both the schools and university programme.

(a) The Beacon Scholarship for Schools

The essential structure we operate for the Schools Scholarship is as follows:

1. The Model

School fees for children with leadership potential are split three ways: 1/3 Beacon Partner School, 1/3 Parents, 1/3 The Beacon Equity Trust (BET). Parents are means-tested to ensure financial need. Applications from families with Gross Household Income above US\$80k are discouraged. Applicants must re-apply every year for continuation.

2. Assessment

Scholarship awards are made on the strength of many factors including academic performance; achievement in sport, music or drama; social influence and communication; and citizenship. Applicants are rigorously assessed and monitored against these 'leadership criteria'.

3. Mentoring

Partner Schools are expected to provide a mentor for each scholar, and report on that scholar's progress against targets set in each of the leadership criteria using a framework called a 'Target Sheet'. Reports are sent to Trustees for their review every school term.

This year we awarded four new Beacon Scholarships for Schools, two in Kenya, and two in Tanzania. Though the shortlist for candidates was strong, two candidates withdrew their applications just prior to an award: one due to a significant scholarship award to another school and one due to an inability to fund their 1/3 share of fees. We continued to market The Beacon Scholarship for Schools in Zambia (expansion in 2019/20), and this year had one candidate who was shortlisted.

(b) The Beacon Scholarship for University

The operating structure for The Beacon Scholarship at University is similar to that for The Beacon Scholarship for Schools.

1. The Model

The scholarship contributes towards tuition fees, living costs plus an annual fixed allowance for compulsory surcharges and one return economy airfare to the Scholar's home country. Costs are shared three ways: 1/3 Beacon Partner Universities, 1/3 Parents, 1/3 The Beacon Equity Trust (BET). Parents are means-tested to ensure financial need. Applications from families with Gross Household Income above US\$100k are discouraged. Applicants must re-apply every year for continuation.

2. Assessment

Applicants must first obtain an offer from a UK Beacon Partner University of their choice and then apply for a Beacon Scholarship for University. Scholarship awards are made on the strength of many factors including academic performance; achievement in sport, music or drama; social influence and communication; and citizenship. Applicants are rigorously assessed against these 'leadership criteria'.

3. Mentoring

Target reporting against leadership criteria works in the same way as with the Schools Scholarship above. Additionally, each Beacon Scholar for University is paired with an Away and a Home Country Mentor, for pastoral care and access to local and away country networks.

This year, we awarded six new Beacon Scholarships for University, two to Imperial College London (including one Beacon Schools Scholar), two to the University of Surrey (including one Beacon Schools Scholar) and one to each of Cardiff and Bristol Universities. New Scholars will be studying Materials Science & Engineering, Aerospace Engineering, Biological Sciences, Biochemistry, and Law.

(c) Leadership Development

Our 2021/22 Citizenship Project presentations and Workshops proceeded uninterrupted on Zoom. We recruited a new Leadership Development Curriculum Manager and centralised all our Leadership interventions. We continued improving the delivery of Workshops and Seminars to be more interactive and engaging.

(d) Employability

During the year we introduced a new Beacon intervention for University Scholars: Employability. We solicited input from graduating University Alumni to generate a step-by-step 'pathway' to enhance employability prospects of Scholars following graduation. Elements were incorporated in the Target Sheet process to ensure key milestones on the pathway are being hit at every stage of a University Scholar's university career. Initial employment outcomes from the programme bear testament to the power of leadership development initiatives, which combine to make a Beacon Scholar highly attractive to blue-chip multinational organisations.

(e) Operational Capacity

Towards the end of the year, we promoted a Target Sheet Mentor into the full-time role of Operations Manager. This, together with the previously recruited General Manager, fulfilled the need to create operational level succession for the Trustees. In our planning we set aside a full academic year to ensure a smooth succession by providing detailed, hands-on training to the new team.

(f) Technology

We are investing in improving our document management. We are also developing a dynamic database system to build Scholar profiles and capture ongoing performance data (currently in forms). This system is intended to inform recruitment, and Scholar monitoring to enable mentoring interventions.

Historical timeline

- 2009 – BET charity founded; 5 partner schools signed (primary and secondary); initial two scholarships awarded.
- 2010 – consultant (local educator) joins as local representative and introduces standardised assessment tools; improved application procedures and new financial disclosure tool built; three new scholarship awards, now a total of five scholars.
- 2011 – eight scholars in total + 2 scholars sponsored in state schools; website built.
- 2012 – ten scholars in total; exploratory discussions begin for tertiary component.
- 2013 – eleven scholars in total; first Beacon Scholar, Natasha Khanyola (2009), gains admission to University of Manchester to study Engineering; Beacon Scholarship for University launched with LSE and Cambridge signed as University Partners.
- 2014 – fourteen scholars in total; 4 additional Beacon Partner Schools signed in Kenya; first Beacon Scholar for University at Trinity College, Cambridge. New UK Co-ordinator and Kenya Beacon Rep.
- 2015 – seventeen scholars in total; two additional local education system (8-4-4) secondary schools signed; first Beacon Scholar at LSE.
- 2016 – nineteen scholars in total; second Scholar at Cambridge; two Beacon Scholars in Prep Partner Schools in Kenya obtain 100% scholarships to private schools in UK.
- 2017 – twenty-six scholars in total; 8 University Scholars including 5 new university Scholars; 6 new Schools Scholars, including one each into 4 new Beacon Partner Schools signed in Tanzania. Cardiff, Surrey, Bristol signed as University Partners. Exited Prep School Partnerships.
- 2018 – thirty-one scholars in total; 11 University Scholars including 5 new, of which 2 from Uganda; 20 Schools Scholars, including 7 new of which 5 from Kenya and 2 from Tanzania. Imperial College London signed as a University Partner. Two new Beacon Partner Schools signed in Uganda. Exited Kenyan local education system (8-4-4) secondary school Partnerships. Programme re-focused on International Secondary Schools, and undergraduates in UK Partner Universities only. UK Beacon Rep recruited.
- 2019 – thirty-five scholars in total; 16 University Scholars including 5 new, of which 4 from Kenya, one from Uganda; 19 Schools Scholars, including 4 new, of which 3 from Kenya, 1 from Tanzania. First University graduates secured good jobs at McKinsey and Old Mutual. Two new Beacon Partner Schools signed in Zambia.
- 2020 – thirty-six scholars in total; 17 University Scholars, including 5 new, of which 2 from Kenya, 2 from Uganda, 1 from Tanzania; 19 Schools Scholars, including 6 new, of which 2 from Kenya, 3 from Tanzania, 1 from Uganda. Two further University graduates, and 4 Schools Scholars secure near full scholarships to Yale, UBC, and University of Toronto. One Schools Scholar secures 100% scholarship from Trinity College, Cambridge. No new additions to 13 Partner Schools.
- 2021 – thirty-six scholars in total; 17 University Scholars including 6 new, of which 3 from Kenya, 2 from Uganda, 1 from Tanzania; 19 Schools Scholars, including 4 new, of which 2 from Kenya, 2 from Tanzania. 2 Beacon Scholars on Gap Year. Six University graduates, with employment offers from top multinational firms. University of Birmingham signed as a University Partner.

Development plan

In the longer term it is our intention to expand the number of International Universities and the range of Partner Beacon Schools. We also intend to expand into neighbouring countries in sub-Saharan Africa. Fundraising will be required to continue developing and growing The Beacon Scholarship.

Public benefit

The aim is that eventually a Beacon Scholar will make a real difference to their country's development by attaining a significant leadership position, from which they can positively impact the lives of many others – as a 'changemaker'. We aim for a multiplier effect: rather than investing in educating thousands, we educate a handful of exceptional young people with real leadership potential who will, in turn, influence thousands through their actions. It is our belief that a high-quality education for gifted and talented young people whose parents do not have the financial means for such an education will enable the realisation of this vision.

FINANCIAL REVIEW

Cost management

We have continued to contain our costs, and ensured that the major part of our funds is spent on the education of Scholars. Trustees and one staff member donate their time, and our administrative costs are limited to consultancy fees for our two full-time and eight part-time staff in Kenya, Tanzania, South Africa and the UK. As the number of scholars grows and development into tertiary education continues, it is our expectation that administrative costs should be maintained at a level no higher than 20% of total expenditure (~80% is school and university fees). We have this year managed to contain operating costs to this level on a cashflow basis.

Funding sources and their stability

The source of funds continues to be private donations from the Sood family and associated entities, and in the future we will seek to diversify our funding sources. This principal source of donor funding will continue into the foreseeable future, but in order to continue growing we will look to broaden from this base by seeking additional external donors.

Hardship Fund

In 2021/22 a loan of £2,285.00 was made to cover the Quarantine costs of a University Scholar. This was repaid in the in the same year. Uses for donations to the Hardship Fund are strictly governed by a Constitution.

Reserves policy

We have a policy of reserving funds for future liabilities, i.e. the continuation of scholarships for their natural duration. The reserve is calculated on the basis of continuation of each present Beacon Scholar's award until the end of their education at their current school or undergraduate university stage.

Approved by order of the Board of Trustees on 31 July 2022 and signed on its behalf by:



A Sood Trustee