

## **THE BEACON EQUITY TRUST**

### **REPORT OF THE TRUSTEES**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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 2023 are available on the Companies House website at [www.companieshouse.gov.uk](http://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**

David Wheeler FCCA  
Cheeld Wheeler & Co  
Chartered Certified Accountants  
Redhill Chambers  
2d High Street  
Redhill  
Surrey  
RH1 1RJ

## **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. We did not visit our African Schools partners this year, but will be doing so in January 2025. The Trustees are in regular contact with Scholars and 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 rigorous financial disclosure process ensures 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.

## **THE BEACON EQUITY TRUST**

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### **FOR THE YEAR ENDED 31 JULY 2023**

### **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 six new Beacon Scholarships for Schools, three in Kenya, two in Tanzania, and one in Zambia. We continued to market The Beacon Scholarship for Schools in all 4 African countries in which we operate.

#### **(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 three new Beacon Scholarships for University, one to the London School of Economics (a Beacon Schools Scholar), one to Cardiff University, and one to the University of Surrey. Two additional provisional candidates did not meet the terms of their academic offers, and one withdrew. New Scholars will be studying International Social and Public Policy, Mechanical Engineering, and Sports Science & Exercise.

### **(c) Changing the University fee-sharing Model**

Our Memorandum of Understanding (MoU) for University Partners must be renewed every three years, with this year being a renewal year for admissions in 2026/27. Because university tuition fees continue to rise, and universities increasingly find it administratively difficult to administer and bill the 1/3 cost sharing model, we approached Partners with the idea of a Tuition fee waiver. We are pleased that two Partners (one new and one current) agreed to a full tuition fee waiver for up to two new Beacon Scholars a year and signed a 3-year MoU. Three current Partners moved to a transitional arrangement of a 50% Tuition fee waiver for one year, and three Partners decided not to offer new Beacon Scholarships for 25/26 entry. The financial climate for UK universities has been adversely affected by a restriction in government policy in granting study visas to postgraduate international students with a resultant funding shortfall. The resulting cost containment has severely impacted scholarship funding, with some university Partners withdrawing their support.

### **(d) Leadership Development**

Our 2023/24 Citizenship Project presentations and Workshops proceeded uninterrupted on Zoom and we implemented our new leadership curriculum for 'asynchronous learning' with great success. We delivered 5 of the full set of 20 Modules, each with an online course followed by a workshop. We also completed content preparation for remaining Modules and started to explore wider commercial possibilities for the programme. Our Leadership Curriculum Manager resigned and we replaced her with a full-time Leadership Curriculum Executive based in South Africa.

### **(e) Employability**

This year, we concluded that we no longer required a UK Representative to look after UK university Scholars. Most of the Scholars now rely on Beacons within their own university for support. For Employability Mentoring however, we expanded the role of two of our Target Sheet Mentors to oversee Scholar progress on the Employability Pathway. This proved to be successful with Mentors regularly checking in with Scholars after reviewing Employability targets on their Target Sheets.

### **(f) Alumni**

By the end of the financial year, we had our third full cohort graduating from their universities. We now have 21 Beacon Scholars who have entered the workplace or gone on for further study. Our challenge is fast becoming one of creating a strong Alumni community, and during the year we appointed two Alumni to perform paid administrative duties aimed at continuing to build Alumni engagement.

### **(g) Operational Capacity**

During the year we had three full time staff (Operations Manager, Operations Executive, and Leadership Curriculum Executive) and 8 part-time staff.

### **(h) Technology**

During the year we continued to improve our dynamic database system holding Scholar profiles and ongoing performance data. The system was used for recruitment and making awards. We tested the system in our recruitment process, and leadership workshops, and have continued to fine tune its capability.

### **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 + 2 scholars sponsored in state schools; website built.
- 2012 – ten scholars; exploratory discussions begin for tertiary component.
- 2013 – eleven scholars; first Beacon Scholar, 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; 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; two additional local education system (8-4-4) secondary schools signed; first Beacon Scholar at LSE.
- 2016 – nineteen scholars; 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: 8 University, 20 Schools, including one into each of 4 new Beacon Partner Schools signed in Tanzania. Cardiff, Surrey, Bristol signed as University Partners. Exited Prep School Partnerships.
- 2018 – thirty-one scholars: 11 University of which 2 from Uganda, 20 Schools. Imperial College London signed as a University Partner. Two new 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: 16 University, 19 Schools. First University graduates secured good jobs at McKinsey and Old Mutual. Two new Beacon Partner Schools signed in Zambia.
- 2020 – thirty-six scholars: 17 University, 19 Schools. Two further University graduates, and 3 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-four scholars: 17 University, 17 Schools. Six University graduates, with employment offers from top multinational firms. University of Birmingham signed. New Ugandan Partner School (RISU) signed.
- 2022 – thirty-five scholars: 17 University Scholars, 20 Schools. Seven university graduates. New University Alumni structure set up.
- 2023 – thirty-five scholars: 16 University Scholars, 19 Schools. Four university graduates. University of Exeter signed. Transition Tuition fee waiver for University Partners.

## 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 three full-time and eight part-time staff in Kenya, Tanzania, South Africa and the UK.

### 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 2023/24 there was a loan of £5,118 to a Beacon Scholar to enable university funding. The loan is to be repaid over 3 years and we received a repayment of £1,706 in February 2024. Further repayments of £1,706 are scheduled for February 2025 and February 2026. 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 2024 and signed on its behalf by:



A Sood Trustee