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OUR MISSION
To become the leading organisation in the provision of psychosocial support for children and young people living with HIV in southern Africa.

OUR VISION
To work in partnership to positively transform the lives of the world’s most vulnerable children.
THE GLOBAL HIV LANDSCAPE

The latest data demonstrates that 90-90-90 is not a dream. In the face of skepticism, we have clearly proven that we can achieve 90-90-90. In moving forward, we must pay attention to adolescent girls and young women, bring young men into services, and reach vulnerable communities.”

MICHEL SIDIBÉ, EXECUTIVE DIRECTOR, UNAIDS, 2017

“We need to listen to young people and understand what they are going through. Their experiences remind us that we must work together as a global health community, allowing all young people – whatever their HIV status – to lead healthy, happy and productive lives.”

PETER PIOT DIRECTOR, LONDON SCHOOL OF HYGIENE AND TROPICAL MEDICINE SPEAKING AT SENTEBALE’S LET YOUTH LEAD ROUNDTABLE, 2017

HIV REMAINS A LEADING CAUSE OF DEATH IN ADOLESCENTS IN AFRICA

Source: UNAIDS, 2017

90% 90% 90%

of people
living with HIV know their status
living with HIV who know their status are receiving treatment
on treatment have suppressed viral loads

UNAIDS 2020 FAST TRACK TARGETS

90% of people living with HIV know their status
90% of people living with HIV who know their status are receiving treatment
90% of people on treatment have suppressed viral loads

There are 2.1 million adolescents living with HIV globally. 1,700 new HIV infections occur every day among young people. HIV remains a leading cause of death in adolescents in Africa.

Source: UNAIDS, 2017

1,700
NEW HIV INFECTIONS OCCUR EVERY DAY AMONG YOUNG PEOPLE

2.1 MILLION ADOLESCENTS LIVING WITH HIV

HIV REMAINS A LEADING CAUSE OF DEATH IN ADOLESCENTS IN AFRICA

Source: UNAIDS, 2017
PRINCE HARRY, SENTEBALE CO-FOUNDING PATRON

A year ago, we announced our plans to expand Sentebale’s flagship psychosocial support programme beyond Lesotho, to Botswana, which has the world’s third highest prevalence of HIV. Since then, a new team in Botswana has joined the Sentebale family and worked alongside local partners and the Ministry of Health and Wellness to provide nearly 400 children and young people with monthly support for their mental health and wellbeing, through Saturday Clubs and Residential Camps.

Sentebale’s presence has also grown significantly across Lesotho over the past 12 months; our programme for 10 to 19 year olds living with HIV reached a cohort of over 3,400 young people every month, and we celebrated the landmark achievement of delivering half a million hours of psychosocial support. This milestone is a testimony to both the hard work of the Sentebale team, and commitment of our supporters all over the world.

Despite this progress, research shows us that HIV remains a leading cause of death for young people in Africa. Young people are not accessing treatment as effectively as other groups, due to a general lack of understanding and the stigma which still surrounds the disease. For those who are accessing care, their needs are often overlooked, with many young people finding services which are insufficient or unsuited to meet their specific needs.

In light of this, Sentebale launched the Let Youth Lead programme in April 2017, with youth empowerment, engagement, and inter-generational dialogue at its core. Our vision is for all young people in southern Africa to know and manage their HIV status by 2020.

We have both been proud to play our part in this programme; whether that is launching Let Youth Lead at a summit in the ‘Mamohato Children’s Centre, or joining young advocates to speak at a roundtable hosted by the London School of Hygiene and Tropical Medicine and attended by global health leaders including PEPFAR, UNAIDS and The Global Fund. It is platforms such as these that ensure young people are at the heart of shaping and strengthening future HIV policies to provide better support for their generation.

The breadth of what Sentebale has achieved this year is reflected in the difficult task of selecting just a handful of highlights for this letter. But as in previous years, none of these achievements would be possible without the hard work of our dedicated team, or the continued support of all our donors and partners.

Thank you.

HRH PRINCE HENRY OF WALES
HRH PRINCE SEEISO BERENG SEEISO

“Over the past 12 months, our programme for 10 to 19 year olds living with HIV reached a cohort of over 3,400 youth every month.”

PRINCE HARRY, SENTEBALE CO-FOUNDING PATRON
MESSAGE FROM OUR CEO

Globally, the HIV/AIDS community has worked hard to realise the Sustainable Development Goal “to ensure healthy lives and promote wellbeing for all at all ages,” and to show commitment to the UNAIDS 2020 Fast-Track targets. Adolescents continue to be at greater risk of HIV infection, with nearly 2,000 young people being newly infected with HIV each day. Sentebale’s youth centered approach with vulnerable and hard to reach groups has been more important than ever this year. We have continued developing and expanding our programmes to impact the lives of thousands of children and young people in Lesotho and Botswana.

Our expenditure on programme activities increased significantly this year by 28%, largely due to new HIV/AIDS prevention programmes in Lesotho as well as the continued expansion in Botswana. Consequently, finances were stretched, particularly with the impact of exchange rates. Underlying income increased by 6%, excluding exceptional items from the prior year and we saw good progress on diversification of income with new Institutional grants, improving our long term sustainability.

This year has seen strong progress in our programme delivery, both geographically and in the breadth of our work. We are now supporting thousands of children and young people across a range of interventions, from prevention of HIV right through to adherence to treatment. Our team is stronger than ever and ready to expand our work into other southern African countries in line with our strategy.

I would like to thank the team in Lesotho, Botswana and in London for all your amazing work and commitment to our vision. With the help of all our supporters, we will continue to reach and support some of the most vulnerable children, affected by HIV and those facing the challenges of extreme poverty.

Thank you very much to everyone who has supported us. We hope you enjoy reading this report; none of this work would have been possible without you.

CATHERINE FERRIER, CEO

“It has been a pleasure and a privilege to serve as chair of Sentebale. Over the last 7 years I have watched the charity grow and positively impact the lives of many thousands of children affected by this HIV epidemic in southern Africa. There is still so much to do and Sentebale is in a strong position to continue to expand and reach many more children and young people with lifesaving psychosocial support. I would like to thank the Board for their continued support and all of our donors and supporters, without whom the work we do would not be possible, and the Sentebale team for their hard work and dedication.”

PHILIP GREEN, CBE, CHAIRMAN (JAN 2011 – MARCH 2018)

“We are now supporting children across a range of interventions, from prevention of HIV right through to adherence to treatment.”

CATHERINE FERRIER, CEO
LIVING WITH HIV

Sentebale’s programme of week-long residential camps and monthly Saturday clubs at local healthcare clinics and community centres in Lesotho and Botswana provide life-saving psychosocial support to 10-19 year olds living with HIV, by sharing the tools and knowledge they need to live physically and emotionally healthy lives.

SUCCESS STORY

JWANENG 16-year-old girl, Botswana

“Since I attended camp, I realised that I was not the only young person on ARVs, and I have realised the importance of taking my medication so that I could live longer — even than some people who are not infected with HIV.”

100% OF YOUNG PEOPLE GRADUATING FROM SATURDAY CLUBS FELT:
- in control of their health
- confident in themselves
- ready to disclose their HIV status
- able to identify their support network
- hopeful about the future

Source: UNAIDS, 2017

18,000 ADOLESCENTS LIVING WITH HIV

IN LESOTHO

SATURDAY CLUBS
3,400 children and young people were supported through 94 monthly clubs.

RESIDENTIAL CAMPS
7 weeks of residential camp supported 372 children living with HIV.

HOURS OF PSYCHOSOCIAL SUPPORT
151,125 hours of psychosocial support were delivered through Saturday Clubs and Residential Camps over the year.

Source: UNAIDS, 2017

17,000 ADOLESCENTS LIVING WITH HIV

IN BOTSWANA

SATURDAY CLUBS
Over 300 children and young people living with HIV were supported through 12 monthly Saturday Clubs.

RESIDENTIAL CAMPS
8 camps for children living with HIV, 3 camps for children from the local community.

CAREGIVER DAYS
50 caregivers were reached per month.

HOURS OF PSYCHOSOCIAL SUPPORT
20,364 hours of psychosocial support were delivered through Saturday Clubs and Residential Camps over the year.

*11 camps for children living with HIV, 3 camps for children from the local community.
LET YOUTH LEAD HIGHLIGHTS

- Youth Summits in Lesotho and Botswana launched the programme. Across both events, youth advocates addressed over 200 people – including government officials, representatives from the UN and other international agencies and the private sector – with their experiences of HIV and recommendations to better support youth in the global response.

- 11 young people (aged 18-24) were trained as youth advocates at the ‘Mamohato Children’s Centre. All youth advocates attended workshops to address the psychological impact of the role and were taught how to engage decision-makers. They also refined their public speaking and presenting skills to support their attendance at district, national, regional and global forums.

LET YOUTH LEAD ADVOCATES ADDRESS GLOBAL LEADERS AT ROUNDTABLE, JULY 2017

Global HIV leaders committed to ensuring young people affected by HIV/AIDS play an integral part in shaping new research and policies to strengthen HIV prevention, testing and treatment in southern Africa during Sentebale’s special roundtable at the London School of Hygiene and Tropical Medicine (LSHTM). Three youth advocates from Lesotho and Botswana travelled to London to attend the event, chaired by Professor Peter Piot (LSHTM). Prince Harry and global HIV leaders including PEPFAR, UNAIDS and The Global Fund heard first-hand why youth in southern Africa are failing to test for HIV and access the relevant follow-up care and treatment.

“The fact that I am HIV positive is not a barrier to anything.”

TLOTLO, LET YOUTH LEAD ADVOCATE, BOTSWANA

84% of adolescents with HIV are living in southern Africa. In April 2017 Sentebale launched the Let Youth Lead programme with a vision for all young people in southern Africa to know and manage their HIV status by 2020. Research shows that young people accessing health services in southern Africa face many barriers to care and their needs are often overlooked.

Let Youth Lead provides a platform for young people affected by HIV to voice their challenges. From addressing the lack of youth-friendly health services and limited sexual reproductive health taught in schools, to engaging policy makers and strengthening leaders’ commitments to delivering youth-friendly HIV interventions.
“I can never forget the fear and anxiety I experienced when I first went for an HIV test [...] I kept asking myself whether I would have made the same choices had I been informed about risky behaviours. I felt cheated that no one had given me correct information about the myths and misconceptions around HIV.

The counsellor talked me through how I would be referred to the nearest health facility within five days if I was positive, and what steps I could take if I was negative – no matter what the outcome, we talked about ensuring I maintained a healthy lifestyle going forward.

No one can imagine the joy and gratitude I felt when my test revealed that I was HIV negative. From that day I wanted to be a source of positive change in my community, especially amongst my peers. That’s why I jumped to an opportunity of being a Sentebale Peer Educator.

Now I am able to arm my peers with correct information about HIV, and help them not to be fearful about getting tested.”

Sentebale provides adolescent-friendly HIV Testing & Counselling Services and HIV prevention services in Lesotho.
CARE & EDUCATION

HERD BOYS

Herd boys are amongst the most disadvantaged young people in Lesotho; the tradition of tending livestock in the mountains distances them from basic education and public health services, putting them at significant risk.

OUR IMPACT

Over 500 herd boys were given access to a primary education through Sentebale’s partnership with the LANFE and the LDTC.

Over 600 herd boys were reached with health services, including; nutrition, BMI and blood pressure checks, hearing tests, dentistry, Voluntary Medical Male Circumcision, HTS and TB testing.

In May 2017, Prince Seeiso attended Sentebale’s first herd boy advocacy event. Inspired by the Let Youth Lead programme, 10 herd boys shared their critical issues and vulnerabilities with policy makers and duty bearers, who pledged to progress these key topics at the government and district level.

SECONDARY SCHOOL EDUCATION

Secondary school is not free in Lesotho; only 42% of girls and 27% of boys are enrolled. Sentebale supports vulnerable young people across the country through school bursaries, which cover the costs of school fees, books, toiletries, uniforms and transport, and enable them to complete their secondary education. Through this initiative we help them to build the tools and knowledge they need to support themselves and their families for a brighter, more productive future.

OUR IMPACT

379 secondary school students supported with a bursary and 8 tertiary school students supported.

113 former students joined Sentebale’s alumni network to support them in their transition from secondary school.

Teachers trained by Sentebale in psychosocial support have opened counselling units, some partnering with local clinics for further health and counselling services.

MOLISE 19-year-old completed his secondary education with support from Sentebale

"Sentebale supports me with everything a child at school needs: school uniform, school shoes, stationery, cosmetics and transport to go home during school holidays. Sentebale is like a second home to me; because of it, all my miserable life is a thing of the past, I am now a changed person, and I am working towards achieving my biggest dream of studying medicine. I want to further my studies then work with children, especially those living with HIV/AIDS. If it would be possible I would establish a children’s hospital in Lesotho that would accommodate children from all streams of life, those born in the rural areas of Lesotho and those that are vulnerable and orphaned."
CARE & EDUCATION

LETSEMA: SHARING BEST PRACTICE
CARE FOR VULNERABLE CHILDREN
Sentebale supports and coordinates best practice in community childcare organisations across Lesotho through a local body called Letsema. Member forums cover key issues to ensure children and young people can access relevant health services, communicate their needs, and are protected from risks.

HIV/AIDS is one of the biggest reasons children become orphaned in Lesotho*.
Sentebale provides care and education for vulnerable children in Lesotho, particularly those affected by HIV. Community-led organisations and families caring for orphans and those living with disabilities are supported by the programme. Partners are supported through grants, management support and the provision of training and specialists.

771 vulnerable, orphaned or disabled children were directly supported through community partners.
Over 200 Community Based Organisations united by Letsema.
Over 1,000 children were additionally supported through community partner outreach.

771 Children
Home were reunited with their families.
11 Children from Mants'ase Children's Home were reunited with their families.

Member forums this year addressed:
sexual and gender based violence, psychosocial support training, and voluntary savings and loans.

771 vulnerable, orphaned or disabled children were directly supported through community partners.

*Source: UNAIDS, 2016

LESOThO
OUR IMPACT
CARE FOR VULNERABLE CHILDREN
Organisations supported and coordinated best practice in community childcare organisations across Lesotho through a local body called Letsema. Member forums cover key issues to ensure children and young people can access relevant health services, communicate their needs, and are protected from risks.

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*Source: UNAIDS, 2016
SPOTLIGHT ON FUNDRAISING

ICAP CHARITY DAY
Sentebale was a beneficiary of ICAP’s 24th annual Charity Day in December. At this annual fundraising event, ICAP donate all revenues and commissions on the day to a select group of charities around the world. To mark the event, Prince Harry visited the trading floor and Sentebale, together with HIV charity mothers2mothers, hosted a cycling challenge called #BikeToBeatHIV. During his visit, Prince Harry flew the flag commencing a race between Sentebale Ambassador, Laura Main, and founder of mothers2mothers, Dr. Mitch Besser. ICAP’s donation supports Sentebale’s monthly Saturday clubs in Botswana, giving children and adolescents living with HIV the knowledge and tools they need to live physically and emotionally healthy lives.

YOUTH HUB
Sentebale has been awarded funding from The Global Fund, to scale up efficient prevention, care and treatment activities in Lesotho. Sentebale has developed a tailored programme to reach key populations, including youth, adolescent girls and young women. This is an ongoing project that focuses on prevention through Social Behaviour Change Communications, local campaigns, youth clubs, sexual reproductive health education, testing and condom promotion and distribution. With The Global Fund’s support, Sentebale and local partners are playing a leading role in HIV/AIDS reduction efforts in Lesotho.

DOCUMENTARY: PRINCE HARRY IN AFRICA
In December, a documentary aired on ITV1 that followed Prince Harry’s return to Lesotho, a decade after he set up Sentebale with Prince Seeiso. The show, which was viewed by an audience of over 2.4 million, featured footage of the charity’s Co-Founding Patrons helping Sentebale’s work on the ground, and traveling through Lesotho’s beautiful and challenging scenery.

CHALLENGE EVENTS
Throughout the year, Sentebale is delighted to have received support from a host of fearless fundraisers. In April a record number ran the Virgin Money London Marathon in aid of Sentebale, including Ambassador and Call the Midwife actress Laura Main. On completing the 26.2 mile challenge, Laura admitted, “I honestly never thought I had a marathon in me!” Further afield, fundraiser Shaakira Case from the USA completed IGO Adventures’ N60° Norway Challenge for Sentebale; skiing, touring and running through the freezing cold to raise vital funds towards our work. Sentebale would like to say a huge thank you to everyone who went above and beyond to support us in 2016-17.

PLAYING POLO IN SINGAPORE
In June, under the shining Singaporean sun, Prince Harry and Ambassador Nacho Figueras took to the field in front of a crowd of over 300 guests to play in the Sentebale Royal Salute Polo Cup. The fundraising event, held at the Singapore Polo Club, was a huge success in raising vital funds in support of our work with youth affected by HIV in southern Africa. Sentebale would like to thank the event sponsors for their generous support; Royal Salute, ISPS Handa, St. Regis Hotels & Resorts, BMW and British Airways.
The results for the period are set out in the statement of financial activities on page 32. The position of the charity at the end of the period is shown in the balance sheet on page 34.

During the year, Sentebale secured income of £3.550m, representing a decrease of 19% compared with the previous year (2016: £4.361m) where income from an exceptional fundraising concert raised revenue of £1.011m. Excluding this, income increased by 6% over the prior year largely as a result of new institutional funding and higher corporate and trust donations. Of the total income in the financial year, £1.741m was general unrestricted income (2016: £3.667m), and £1.809m was restricted to current programmes (2016: £674k). Included in the total income is £297k of gifts in kind (2016: £587k).

The total expenditure in the year was £3.776m (2016: £4.271m), in line with budgeted expenditure. However, weakening of Sterling versus the South African Rand / Lesotho Maloti and Botswana Pula as stated in Note 1 significantly contributed to increased charitable expenditure presented in Sterling. Consequently, in an effort to reduce the adverse impact on programmes, non-essential expenditure was reduced and we spent a proportion of our brought forward reserves.

Fundraising costs in the year amounted to £500k (2016: £1.720m). This accounts for 13% of total expenditure excluding gifts in kind (2016: 12% excluding gifts in kind and Sentebale Concert). The £1.2m decrease in fundraising costs is attributed to the cost of the exceptional Sentebale Concert in 2016 (£742k), £316k lower gifts in kind in the current year, and lower allocation of support costs.

The amount spent on charitable activities was £3.276m (2016: £2.551m), reflecting an increase of £725k (28%) over the previous year. This was mainly due to new HIV/AIDS programmes, including Youth Hub in Lesotho, and the growth of the Network Clubs and Camps programme in Botswana. The cost of programme expansion into Botswana comprised 9% of the total amount spent on charitable activities.

The net assets on the balance sheet are £2.708m (2016: £2.934m). These are represented in reserves as general unrestricted funds of £426k (2016: £636k), unrestricted designated funds relating to the ‘Mamohato Children’s Centre of £1.508m (2016: £1.884m) and restricted programme funds of £774k (2016: £414k).
FINANCE AT A GLANCE

INCOME: £3.55m
- EVENT INCOME
- TRUSTS & FOUNDATIONS
- CORPORATE DONORS
- GENERAL DONATIONS
- LEGACIES
- INSTITUTIONAL FUNDING
- GIFTS IN KIND

CHARITABLE ACTIVITIES: £3.277m
- 'MAMOHATO CENTRE
- HIV / AIDS
- COMMUNITY CARE
- EDUCATION, TRAINING & LEADERSHIP

Sentebale is actively supporting children and young people affected by HIV in Lesotho and Botswana. Malawi has been identified as the next country for expansion in 2017-2018.
Financial Policies

Investment policy
Where appropriate, surplus cash funds are held in fixed term investment accounts in order to maximise the revenues on these funds while ensuring they are available when required.

Reserves policy and going concern
In previous years our reserves policy was to hold a minimum level of free reserves equivalent to one quarter of total annual expenditure on project disbursements, charitable activities and general overheads, which represented a sum of approximately £250k. This policy is reviewed on a regular basis by the Trustees and, at the last review, a new reserves policy was formally adopted. The new policy is to hold a minimum level of free reserves equal to one quarter of annual unrestricted expenditure.

The change in reserves policy reflects the change to the income profile of the charity. Restricted funding for charitable activities grew to 51% of total income in 2017 (2016: 15%) and it is conservatively estimated that restricted funds will be in excess of 50% of total income in the forthcoming financial year. This restricted funding will cover an equivalent proportion of expenditure on project disbursements, charitable activities and general overheads, which represented a sum of £257k (2016: £227k). This figure is within the new target range and current forecasts reflect that operational reserves will increase over the coming financial year.

The Trustees have considered the level of reserves required in order to ensure that the charity can meet expenditure that has already been committed, future unrestricted funds and budgeted future grant commitments out of existing reserves and future fundraising. The Trustees’ assessment is that, while future fundraising is insufficient to meet all of the charity’s planned expenditure and the financial statements have been prepared on a going concern basis accordingly, The Trustees have considered contingencies for spending if the level of fundraising income varies. In the context of reasonable fluctuations in fundraising income, the Trustees consider the level of reserves held to be adequate to meet committed and core expenditure.

Grants policy
The Trustees apply all funds available for charitable purposes in the pursuit of ensuring the successful delivery of the charity’s objects in supporting orphaned and vulnerable children in southern Africa.

Community partner disbursements are approved by the Trustees, depending on the scale of the project or beneficiary and the effectiveness of the grant in achieving and fulfilling the objectives of the charity.

Key management personnel

Key management personnel are:

- The Trustees
- Chief Executive Officer (CEO)
- Country Director, Lesotho (CD)
- Head of Programmes, Botswana (HoP)
- International Development Director (IDD) (left March 2017)
- Finance Director (FD) (left January 2017)

The CEO proposes the remuneration levels of the other executive key management personnel, which is approved by the Chairman of the Board. The CEO’s remuneration is set and agreed by the Board of Trustees. Sentebale has a salary structure with banding by role, and this is used by the senior management team to decide and make future recommendation to the Board of Trustees on remuneration levels.

Structure, governance and management
Sentebale does not have share capital and is a company limited by guarantee. The company is constituted by its Memorandum and Articles of Association (dated 3 April 2006) as amended by special resolution (dated 25 December 2006). Operations in Lesotho are carried out by what under Lesotho law is a tax exempt Branch Office of a Foreign Company. Operations in Botswana are carried out under Botswana law as a tax exempt charitable trust.

Sentebale’s Board of Trustees

The Board of Trustees governs the organisation in line with its Articles of Association, vision, mission, values, aims and charitable objectives and provides overall policy direction. The Board is responsible for compliance with the legal and statutory requirements of a UK charity. The Chairman of the Board of Trustees, Philip Green, resigned on 1 March 2018 and was replaced by Johnny Hornby. There were no other changes to the Board during the year ended 31 August 2017 and up to the date of approval of these financial statements.

The Chairman leads the Board of Trustees and the day-to-day management of the charity is delegated to the Chief Executive Officer. The Secretary is responsible for all legal filings.

Sentebale receives reports from all partners on a quarterly basis and monitors CSI (Charity Status index) of clients at the facilities. In May to June 2017, Sentebale also conducted an organizational assessment of all partners against 14 criteria, including child care strategies, child protection, psychosocial support and policies, as well as governance. As a result of this a number of partners who had not performed to expectations were not approved for future funding and immediately discontinued as partners in the facilities where necessary. The Ministry of Social Development and governing bodies of the partners were regularly updated.

Changes in legislative requirements, in particular in the fundraising environment including GDPR compliance and information security.

There are ever-increasing ethical, legal and regulatory obligations being placed on all organisations, including charities. In advance of the implementation of The General Data Protection Regulation (GDPR) a robust workplan has been activated to ensure Sentebale is compliant under the new European law. Information security is also being addressed and investment is being made to ensure further improvements to our security measures through new and strengthened systems.

4. Volatile foreign currency exchange rates combined with decreasing value of the pound.

Sentebale adopted actions to manage currency volatility to ensure that the gilts held in fixed term investments will not be exposed to change in other hard currencies.

2. Compliance of community partners with all regulations, policies and procedures (e.g. child care standards).

Lack of compliance/control over community partners could lead to fraud, negative impact on beneficiaries, loss of reputation and financial viability of the organisation due to lack of diverse income streams, impacting the reputation of Sentebale and the ability to meet its charitable objectives.

Work to diverse income streams has been ongoing, developing new funding relationships with major donors and institutional donors; in this financial year Sentebale was awarded two significant institutional grants, PEFFAR and The Global Fund
Statement of Trustees’ responsibilities

The Trustees (who are also directors of Sentebale for the purposes of company law) are responsible for preparing the Trustees’ report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
• make judgements and estimates that are reasonable and prudent;
• state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper financial records, and of the income and expenditure of the charitable company for that period.

Each of the Trustees confirms that:

• so far as the Trustee is aware, there is no relevant audit information of which the charitable company’s auditor is unaware; and
• the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company’s auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company’s website. Legislation relating to the dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 16 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD

JOHNNY HORNBY
CHAIRMAN, BOARD OF TRUSTEES
19 APRIL 2018

Independent auditor’s report to the members of Sentebale

Opinion
We have audited the financial statements of Sentebale (the ‘charitable company’) for the year ended 31 August 2017.

In our opinion, the financial statements:

• give a true and fair view of the state of the charitable company’s affairs as at 31 August 2017 and of its income and expenditure for the year then ended;
• have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
• give a true and fair view of the state of affairs of the charitable company as at 31 August 2017 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an auditor’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 charitable company and the charitable company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

• have been prepared in accordance with the requirements of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an auditor’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 charitable company and the charitable company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you:

• the Trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
• The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.
Other information
The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

• the information given in the Trustees’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
• the Trustees’ report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees’ report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

• adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
• the financial statements are not in agreement with the accounting records and returns; or
• certain disclosures of Trustees’ remuneration specified by law are not made; or
• we have not received all the information and explanations we require for our audit; or
• The Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies’ exemptions in preparing the Trustees’ report and from the requirement to prepare a strategic report.

Responsibilities of Trustees
As explained more fully in the Trustees’ responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

EDWARD FINCH, SENIOR STATUTORY AUDITOR
FOR AND ON BEHALF OF BUZZACOTT LLP, STATUTORY AUDITOR
130 WOOD STREET, LONDON EC2V 6DL
19 APRIL 2018
### Statement of financial activities for the year ended 31 August 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>Total Funds 31 Aug 2017</th>
<th>Total Funds 31 Aug 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Income from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Events</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising concert</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>1,026</td>
<td>-</td>
<td>1,026</td>
<td>1,523</td>
</tr>
<tr>
<td>Donations and legacies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General donations</td>
<td>235</td>
<td>-</td>
<td>235</td>
<td>304</td>
</tr>
<tr>
<td>Corporate donors</td>
<td>98</td>
<td>-</td>
<td>98</td>
<td>612</td>
</tr>
<tr>
<td>Trusts &amp; Foundations</td>
<td>26</td>
<td>-</td>
<td>26</td>
<td>646</td>
</tr>
<tr>
<td>Institutional Funding</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legacies</td>
<td>62</td>
<td>-</td>
<td>62</td>
<td>-</td>
</tr>
<tr>
<td>Gifts in kind</td>
<td>294</td>
<td>-</td>
<td>294</td>
<td>587</td>
</tr>
<tr>
<td>Total income</td>
<td>1,741</td>
<td>-</td>
<td>1,809</td>
<td>3,550</td>
</tr>
</tbody>
</table>

| Expenditure on: |                |                |                         |                         |
| Raising funds | 2              | 500            |                          | 500                     |
| Charitable activities |                |                |                         |                         |
| 'Mamohato Children's Centre | -            | 376            | -                       | 376                     |
| HIV/AIDS | 718             | -               | 718                     | 1,585                   |
| Community Care | 277        | -               | 277                     | 377                     |
| Education, training and leadership | 456       | -               | 456                     | 938                     |
| Total charitable activities | 3          | 1,451          | 376                     | 1,449                   |
| Total expenditure | 1,951         | -               | 1,951                   | 3,276                   |
| Surplus/(deficit) of income over expenditure | 4            | (210)          | 360                     | (226)                   |
| Transfer between funds | 13           | -               | 13                      | -                       |
| Net movement in funds | (210)        | (376)          | 360                     | (226)                   |
| Reconciliation of funds |                |                |                         |                         |
| Total funds brought forward at 1 September 2016 | 636          | 1,884          | 414                     | 2,934                   |
| Total funds carried forward at 31 August 2017 | 426          | 1,508          | 774                     | 2,708                   |

All amounts relate to continuing activities of the charity.
The notes on pages 36 to 49 form part of these financial statements.
Detailed comparative information for the previous year is shown at note B.
### Balance sheet as at 31 August 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>Total Funds 31 Aug 2017</th>
<th>Total Funds 31 Aug 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>9</td>
<td>1,677</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>10</td>
<td>651</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>753</td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>11</td>
<td>373</td>
</tr>
<tr>
<td>Net current assets</td>
<td></td>
<td>1,031</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td>2,708</td>
</tr>
</tbody>
</table>

| Funds | | |
| Unrestricted funds | 13 | | |
| General funds | | 426 | 636 |
| Designated fund: ‘Mamohato Children’s Centre | | 1,508 | 1,884 |
| **Restricted funds** | | | |
| Programmes | | 774 | 414 |
| **TOTAL FUNDS** | | 2,708 | 2,934 |

Approved by the Trustees on 19 April 2018 and signed on their behalf by:

Johnny Hornby
Chairman, Board of Trustees

Sentebale: A company limited by guarantee, Company Registration Number 05747857

### Statement of cash flows: year to 31 August 2017

<table>
<thead>
<tr>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
</tr>
<tr>
<td>Net cash used in operating activities</td>
<td>(389)</td>
</tr>
<tr>
<td><strong>Cash flow from investing activities</strong></td>
<td></td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(83)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(83)</td>
</tr>
<tr>
<td><strong>Change in cash and cash equivalents in the reporting period</strong></td>
<td>(472)</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the reporting period</td>
<td>1,189</td>
</tr>
<tr>
<td>Change in cash and cash equivalents due to exchange rate movements</td>
<td>36</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the reporting period</td>
<td>753</td>
</tr>
</tbody>
</table>

**Net movement in funds for the reporting period (as per the statement of financial activities)**

<table>
<thead>
<tr>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
</tr>
<tr>
<td>Depreciation charges</td>
<td>410</td>
</tr>
<tr>
<td>Exchange rate movements</td>
<td>(47)</td>
</tr>
<tr>
<td>Increase/(decrease) in debtors</td>
<td>(431)</td>
</tr>
<tr>
<td>Decrease/(increase) in creditors</td>
<td>(95)</td>
</tr>
<tr>
<td>Net cash used in/(provided by operating activities)</td>
<td>(389)</td>
</tr>
<tr>
<td>Cash in hand</td>
<td>753</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td>753</td>
</tr>
</tbody>
</table>
Notes to the financial statements for the year ended 31 August 2017

1. PRINCIPAL ACCOUNTING POLICIES

a. Basis of accounting

These financial statements have been prepared for the year to 31 August 2017.
The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) Charities SORP (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.
The charity constitutes a public benefit entity as defined by FRS 102.
The financial statements are presented in sterling and are rounded to the nearest thousand.

b. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees to make significant judgements and estimates.
The items in the financial statements where these judgements and estimates have been made include:
- estimating the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge; and
- estimating how much income to accrue or defer for grants from institutional funders
- the allocation of office overheads and governance costs between charitable expenditure categories; and
- estimates in respect of accrued expenditure.

c. Assessment of going concern

As described in the Trustees’ report, the Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements.
The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

f. Income recognition

Income is accounted for when receivable.
Donations and legacies are recorded as donations receivable either when there is a contract for receipt and Sentebale considers that any outstanding conditions under the contract have been met, or when Sentebale has become entitled to a future payment and its amount can be ascertained with reasonable probability.
Funds received in one accounting period for expenditure that must take place in subsequent accounting periods are not accounted for as income but are carried forward in creditors as deferred income.
Income from institutional funders is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.
Income for funds requested in future periods either via explicit or implicit time conditions attached to the grants have been met, or when Sentebale has become entitled to a future payment and its amount can be ascertained with reasonable probability.
The basis of allocation is determined on the approximate proportion of costs applicable to each category based on time spent on each activity.
Expenditure on raising funds includes fundraising and event costs, as well as marketing, PR and website development.
Costs of charitable activities represent staff costs, Sentebale programme costs, partner disbursements, support and other direct costs associated with undertaking the activities and objects of the charity.

j. Tangible fixed assets

Donations and legacies are recorded as donations receivable.

k. Debtors

Donations and legacies are recorded as donations receivable.

h. Foreign exchange

During the period, the reported Income and Expenditure for Lesotho and Botswana was translated at the monthly average rates of exchange.
Any adjustments are made for balance sheet items at the prevailing rate of exchange.
The rate applied on 31 August 2017 for Lesotho was £1 = 16.70 Maloti (2016: £1 = 18.90 Maloti) and for Botswana was £1 = 13.11 Botswana Pula.
The average exchange rate in 2017 for Lesotho was £1 = 16.84 Maloti (2016: £1 = 21.16) and for Botswana £1 = 15.04.

i. Leased assets

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities over the period of the lease term.

l. Tangible fixed assets

Donated services are recognised as income at the value that the charity would have paid to otherwise obtain the resources concerned.

i. Leased assets

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities over the period of the lease term.

m. Tangible fixed assets

Donated services are recognised as income at the value that the charity would have paid to otherwise obtain the resources concerned.

2. FUNDING SOURCES

a. Grants

A grant is recognised as income when the criteria for acceptance of the grant have been met.

b. Donations

Donations are recognised when the transfer of assets occurs,

(i) Donated services are recognised as income at the value that the charity would have paid to otherwise obtain the resources concerned.

(ii) Donations and legacies are recorded as donations receivable.

3. RECOGNITION AND MEASUREMENT

a. Financial assets and liabilities

Financial assets and liabilities are recognised in the financial statements at their transaction value.

(c) Foreign exchange

During the period, the reported Income and Expenditure for Lesotho and Botswana was translated at the monthly average rates of exchange.
Any adjustments are made for balance sheet items at the prevailing rate of exchange.
The rate applied on 31 August 2017 for Lesotho was £1 = 16.70 Maloti (2016: £1 = 18.90 Maloti) and for Botswana was £1 = 13.11 Botswana Pula.
The average exchange rate in 2017 for Lesotho was £1 = 16.84 Maloti (2016: £1 = 21.16) and for Botswana £1 = 15.04.

4. LEASED ASSETS

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities over the period of the lease term.

5. TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at historical cost less depreciation and applicable impairment.
Depreciation is provided on all tangible fixed assets at rates calculated to write each asset to its estimated residual value over its expected useful life, as follows:

- Overseas property, land and buildings
  20% reducing balance basis
- Fixtures and fittings
  5 yrs on a straight line basis
- Computer equipment
  3 yrs on a straight line basis
- Motor vehicles
  5 yrs on a straight line basis
- Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability.
Prepayments are valued at the amount prepaid.
They have been discounted to the present value of the future cash receipt at which discounting is material.

- Overseas property, land and buildings
  20% reducing balance basis
- Fixtures and fittings
  5 yrs on a straight line basis
- Computer equipment
  3 yrs on a straight line basis
- Motor vehicles
  5 yrs on a straight line basis
- Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability.
Prepayments are valued at the amount prepaid.
They have been discounted to the present value of the future cash receipt at which discounting is material.

6. RELEVANT PREVIOUSLY ISSUED ACCOUNTS

Sentebale’s financial statements for the year ended 31 August 2016 were issued on 23 February 2017.
The financial statements for the year ended 31 August 2016 were prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.
I. Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year are disclosed as short term deposits.

m. Creditors
Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

n. Restricted funds
These funds can only be used for purposes as specified by the donor and are listed in note 14.

o. Unrestricted funds
The unrestricted general funds are available to cover all costs of the organisation.

The designated funds are monies set aside out of general funds and designated for specific purposes, although the Trustees may ultimately use such funds for other purposes.

Notes to the financial statements for the year ended 31 August 2017
(CONTINUED)

2. EXPENDITURE ON RAISING FUNDS

<table>
<thead>
<tr>
<th></th>
<th>Total Funds 31 Aug 17</th>
<th>Total Funds 31 Aug 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Events - fundraising concert</td>
<td>-</td>
<td>742</td>
</tr>
<tr>
<td>Events - other</td>
<td>211</td>
<td>607</td>
</tr>
<tr>
<td>Cost of raising donations and legacies</td>
<td>247</td>
<td>248</td>
</tr>
<tr>
<td>Support costs</td>
<td>42</td>
<td>123</td>
</tr>
<tr>
<td>Cost of generating funds</td>
<td>500</td>
<td>1,720</td>
</tr>
</tbody>
</table>

The events expenditure includes £112k of Gifts in Kind (2016: £428k).
Support costs include governance costs of £17k (2016: £7k).
3. CHARITABLE ACTIVITIES

<table>
<thead>
<tr>
<th>Charitable activity</th>
<th>Related activity</th>
<th>Programme costs 2017</th>
<th>Programme costs 2016</th>
<th>Grant funding activities 2017</th>
<th>Grant funding activities 2016</th>
<th>Total country costs 2017</th>
<th>Total country costs 2016</th>
<th>Support costs 2017</th>
<th>Support costs 2016</th>
<th>Total August 2017</th>
<th>Total August 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mamohato Children’s Centre</td>
<td>Depreciation of Centre</td>
<td>£376</td>
<td>-</td>
<td>£376</td>
<td>-</td>
<td>£376</td>
<td>£314</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HIV/AIDS Camps and Network Clubs</td>
<td></td>
<td>£1,518</td>
<td>-</td>
<td>£1,518</td>
<td>70</td>
<td>£1,588</td>
<td>£814</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Care</td>
<td>Care for vulnerable children</td>
<td>£102</td>
<td>£265</td>
<td>£367</td>
<td>-</td>
<td>£374</td>
<td>£523</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education, Training and Leadership</td>
<td>Herd Boys, Letsema School bursaries</td>
<td>£522</td>
<td>£251</td>
<td>£773</td>
<td>-</td>
<td>£802</td>
<td>£900</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advocacy</td>
<td></td>
<td>£121</td>
<td>-</td>
<td>£121</td>
<td>15</td>
<td>£136</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>2,639</strong></td>
<td><strong>516</strong></td>
<td><strong>3,155</strong></td>
<td><strong>121</strong></td>
<td><strong>3,276</strong></td>
<td><strong>2,551</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total in-country costs</strong></td>
<td></td>
<td><strong>2,248</strong></td>
<td><strong>1,596</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes to the financial statements for the year ended 31 August 2017
(continued)

4. NET INCOME

This is stated after charging:

- Auditors remuneration:
  - Audit fee to financial statements auditor – current year audit: £12
  - Audit fee to financial statements auditor – prior year audit: £6
  - Audit fees payable to other auditors: £22
  - Other fees payable to financial statements auditor: £2
- Depreciation: £410
- Operating lease charges: £83

5. PARTNER DISBURSEMENTS

<table>
<thead>
<tr>
<th>Charitable Activity</th>
<th>2017 No of grants</th>
<th>2016 No of grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Care for Vulnerable Children</td>
<td>31 Aug 17 £265</td>
<td>31 Aug 16 £331</td>
</tr>
<tr>
<td>Education, training and leadership (school bursaries)</td>
<td>445</td>
<td>423</td>
</tr>
<tr>
<td><strong>Total partner disbursements</strong></td>
<td><strong>454</strong></td>
<td><strong>433</strong></td>
</tr>
<tr>
<td><strong>Total Funds 31 Aug 17</strong></td>
<td>£516</td>
<td>£544</td>
</tr>
</tbody>
</table>
6. STAFF HEAD COUNT

The average weekly number of persons employed by the charity expressed on a full-time equivalent basis was:

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme</td>
<td>31</td>
<td>29</td>
</tr>
<tr>
<td>Fundraising</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>37</td>
<td>35</td>
</tr>
</tbody>
</table>

- Lesotho based: 26 (2016: 27)
- Botswana based: 3 (2016: -)
- London based: 8 (2016: 8)

37 (2016: 35)

Lesotho and Botswana based staff are operational and are employed to deliver services to vulnerable children in the two countries. The difference between staff numbers on an average and full time equivalent basis is not material.

Staff costs comprised (UK, Lesotho and Botswana):

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>832</td>
<td>633</td>
</tr>
<tr>
<td>Social security</td>
<td>47</td>
<td>41</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>53</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td>932</td>
<td>711</td>
</tr>
</tbody>
</table>

Staff costs included an amount of £11,168 for termination benefits comprising notice, leave and severance pay for the Lesotho Country Director who resigned in October 2016. Termination pay was calculated in accordance with the charity’s policies and local regulations.

Underlying annual salary increases were 2% in the UK and 5% in Lesotho, in line with local inflation. Staff costs include those for the Botswana office, which completed its first financial year, and amount to £92k in 2017 (2016: £nil). The increase in salaries and wages year on year was also due to the weakening of the pound versus South African Rand, as stated in Note 1.

7. TAXATION

Sentebale is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. The company is also recognised as a registered charity in Lesotho and as such is entitled to exemption from Lesotho taxation. In Botswana, the company is set up as a charitable trust, a body recognized by the Botswana Commissioner of Taxes as exempt from Income Tax.

Sentebale is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. The company is also recognised as a registered charity in Lesotho and as such is entitled to exemption from Lesotho taxation. In Botswana, the company is set up as a charitable trust, a body recognized by the Botswana Commissioner of Taxes as exempt from Income Tax.
8. COMPARATIVE INFORMATION

Statement of financial activities for the year ended 31st August 2016

<table>
<thead>
<tr>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>Total Funds 31 Aug 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programmes</td>
<td>Mamohato Children's Centre</td>
<td></td>
</tr>
<tr>
<td>Income from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Events</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising Concert</td>
<td>1,011</td>
<td>1,011</td>
</tr>
<tr>
<td>Other</td>
<td>1,523</td>
<td>1,523</td>
</tr>
<tr>
<td></td>
<td>2,534</td>
<td>2,534</td>
</tr>
<tr>
<td>Donations and legacies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General donations</td>
<td>262</td>
<td>304</td>
</tr>
<tr>
<td>Corporate donors</td>
<td>210</td>
<td>376</td>
</tr>
<tr>
<td>Trusts &amp; Foundations</td>
<td>87</td>
<td>560</td>
</tr>
<tr>
<td>Gifts in kind</td>
<td>558</td>
<td>587</td>
</tr>
<tr>
<td></td>
<td>1,133</td>
<td>1,827</td>
</tr>
<tr>
<td>Total income</td>
<td>3,667</td>
<td>4,361</td>
</tr>
<tr>
<td>Expenditure on raising funds</td>
<td>1,720</td>
<td>1,720</td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mamohato Children's Centre</td>
<td>-</td>
<td>314</td>
</tr>
<tr>
<td>HIV / AIDS</td>
<td>511</td>
<td>814</td>
</tr>
<tr>
<td>Community Care</td>
<td>478</td>
<td>523</td>
</tr>
<tr>
<td>Education, training and leadership</td>
<td>633</td>
<td>900</td>
</tr>
<tr>
<td>Total charitable activities</td>
<td>1,822</td>
<td>314</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>3,342</td>
<td>4,251</td>
</tr>
<tr>
<td>Income over expenditure</td>
<td>325</td>
<td>90</td>
</tr>
<tr>
<td>Transfers between funds</td>
<td>(318)</td>
<td>- 2,178</td>
</tr>
<tr>
<td>Net movement in funds</td>
<td>7</td>
<td>(1,884)</td>
</tr>
<tr>
<td>Reconciliation of funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds brought forward at 1 September 2015</td>
<td>629</td>
<td>2,101</td>
</tr>
<tr>
<td>Total funds carried forward at 31 August 2016</td>
<td>636</td>
<td>1,884</td>
</tr>
</tbody>
</table>

9. TANGIBLE FIXED ASSETS

Cost or Valuation:

<table>
<thead>
<tr>
<th>Property, Land &amp; Buildings</th>
<th>£000</th>
<th>Motor vehicles</th>
<th>£000</th>
<th>Fixtures, fittings and equipment</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance brought forward 31 August 2016</td>
<td>2,216</td>
<td>74</td>
<td>179</td>
<td>2,469</td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>- 59</td>
<td>- 24</td>
<td>- 83</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposals</td>
<td>- (10)</td>
<td>- (10)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign exchange movement</td>
<td>- 7</td>
<td>- 13</td>
<td>- 20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance carried forward 31 August 2017</td>
<td>2,216</td>
<td>130</td>
<td>216</td>
<td>2,562</td>
<td></td>
</tr>
</tbody>
</table>

Depreciation:

<table>
<thead>
<tr>
<th>Property, Land &amp; Buildings</th>
<th>£000</th>
<th>Motor vehicles</th>
<th>£000</th>
<th>Fixtures, fittings and equipment</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance brought forward 31 August 2016</td>
<td>332</td>
<td>32</td>
<td>112</td>
<td>476</td>
<td></td>
</tr>
<tr>
<td>Disposals</td>
<td>- (10)</td>
<td>- (10)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign exchange movement</td>
<td>- 4</td>
<td>- 5</td>
<td>- 9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charge for the period</td>
<td>376</td>
<td>16</td>
<td>18</td>
<td>410</td>
<td></td>
</tr>
<tr>
<td>Balance carried forward 31 August 2017</td>
<td>708</td>
<td>42</td>
<td>135</td>
<td>885</td>
<td></td>
</tr>
</tbody>
</table>

Net book value:

<table>
<thead>
<tr>
<th>Property, Land &amp; Buildings</th>
<th>£000</th>
<th>Motor vehicles</th>
<th>£000</th>
<th>Fixtures, fittings and equipment</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance brought forward 31 August 2016</td>
<td>1,884</td>
<td>42</td>
<td>67</td>
<td>1,993</td>
<td></td>
</tr>
<tr>
<td>Balance carried forward 31 August 2017</td>
<td>1,508</td>
<td>88</td>
<td>81</td>
<td>1,677</td>
<td></td>
</tr>
</tbody>
</table>

Property, Land and Buildings represents the ‘Mamohato Children’s Centre which was brought into use in November 2015.
46

10. DEBTORS

<table>
<thead>
<tr>
<th></th>
<th>31 Aug 2017</th>
<th>31 Aug 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations receivable</td>
<td>519</td>
<td>94</td>
</tr>
<tr>
<td>Other debtors</td>
<td>69</td>
<td>90</td>
</tr>
<tr>
<td>Prepayments</td>
<td>63</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td><strong>651</strong></td>
<td><strong>220</strong></td>
</tr>
</tbody>
</table>

11. CREDITORS

<table>
<thead>
<tr>
<th></th>
<th>31 Aug 2017</th>
<th>31 Aug 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitments to partners</td>
<td>92</td>
<td>172</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>28</td>
<td>27</td>
</tr>
<tr>
<td>Other creditors</td>
<td>48</td>
<td>29</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>205</td>
<td>240</td>
</tr>
<tr>
<td></td>
<td><strong>373</strong></td>
<td><strong>468</strong></td>
</tr>
</tbody>
</table>

Commitments to partners represents the financial support approved by the Board of Trustees as part of the budget process. A Memorandum of Understanding has been signed by Sentebale and with each partner, detailing the financial commitments made by Sentebale, to be paid in quarterly instalments throughout the following financial year.

12. MEMBERS’ LIABILITY

The charity does not have share capital and is limited by guarantee. In the event of the charity being wound up, the maximum amount each member is liable to contribute is £1. There were eight members at 31 August 2017.

13. UNRESTRICTED FUNDS

<table>
<thead>
<tr>
<th></th>
<th>Balance Income Expenditure</th>
<th>Balance 31 Aug 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 Sept 2016</td>
<td>£000</td>
</tr>
<tr>
<td>General funds</td>
<td>636</td>
<td>1,741</td>
</tr>
<tr>
<td>Designated funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>‘Mamohato Children’s Centre’</td>
<td>1,884</td>
<td>-</td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>2,520</td>
<td>1,741</td>
</tr>
</tbody>
</table>

General funds represent all unrestricted income received and are used to undertake the work of the charity.

14. RESTRICTED FUNDS: PROGRAMMES

<table>
<thead>
<tr>
<th></th>
<th>Balance Income Expenditure Transfer</th>
<th>Balance 31 Aug 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 Sept 2016</td>
<td>£000</td>
</tr>
<tr>
<td>HIV/AIDS – Youth Hub</td>
<td>-</td>
<td>400</td>
</tr>
<tr>
<td>HIV/AIDS – other</td>
<td>206</td>
<td>917</td>
</tr>
<tr>
<td>Community Care</td>
<td>204</td>
<td>141</td>
</tr>
<tr>
<td>Education, training and leadership</td>
<td>4</td>
<td>351</td>
</tr>
<tr>
<td>Restricted funds</td>
<td>414</td>
<td>1,609</td>
</tr>
</tbody>
</table>

Restricted funds relate to donations received for specific projects and held at the year end. Transfer between funds represents a reclassification between the groups to reflect a change in partner arrangements and new aggregations going forward.
15. NET ASSETS BETWEEN FUNDS

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>Total Funds 31 August 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>General</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mamohato</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children’s</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Centre</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>169</td>
<td>1,508</td>
<td>1,677</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>125</td>
<td>-</td>
<td>526</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>458</td>
<td>-</td>
<td>295</td>
</tr>
<tr>
<td>Total</td>
<td>583</td>
<td>-</td>
<td>821</td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>(326)</td>
<td>-</td>
<td>(47)</td>
</tr>
<tr>
<td>Net current assets</td>
<td>257</td>
<td>-</td>
<td>774</td>
</tr>
<tr>
<td>Net assets</td>
<td>426</td>
<td>1,508</td>
<td>774</td>
</tr>
</tbody>
</table>

16. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the charity’s future minimum lease payments under non-cancellable operating leases was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts due in one year</td>
<td>100</td>
<td>78</td>
</tr>
<tr>
<td>Amounts due between two and five years</td>
<td>78</td>
<td>105</td>
</tr>
<tr>
<td>Total</td>
<td>178</td>
<td>183</td>
</tr>
</tbody>
</table>
ACKNOWLEDGEMENTS

Adam Bidwell
Amersi Foundation
Audi
Barclays Bank
Botswana
Foundation Trust
British Airways
Camp Kerala
Charlene and Michael
CHI & Partners
George The Poet
Getty Images
ICAP
IGO Adventures
International AIDS
Society
Investec Bank
ISPS Handa
JMC/MRF Sorrell
Foundation
Joss Stone
KPMG
Laura Main
Laura Mvula
Lessons for Life
Life Plus
Magheramorne
Foundation
Nacho Figueras
National AIDS
Commission, Lesotho
Nelsons
Patrick Wilson
Quintessentially
Foundation
Rolex
Royal Salute
Serious Fun
Children’s Network
Simon Brazier
Singapore Polo Club
St Regis Hotels
& Resorts
The Anglo American
Group Foundation
The James, Paris
and Deborah Burrows
Foundation
Thomas Cook
Tom Urquhart
UNAIDS
UNICEF
URC
USPA
Worldwide Support
for Development