

Charity Registration No. 1159480

Company Registration No. 09040143 (England and Wales)

**ONEBILLION LEARNERS**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

# ONEBILLION LEARNERS

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr A G Ashe Dr Simon Murdoch Mr J M Yeomans
<b>Charity number</b>	1159480
<b>Company number</b>	09040143
<b>Registered office</b>	315-317 New Kings Road London England SW6 4RF
<b>Auditor</b>	Kirk Rice LLP 13 Princeton Court 53-55 Felsham Road Putney London SW15 1AZ

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# ONEBILLION LEARNERS

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# ONEBILLION LEARNERS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 31 MARCH 2020**

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The Trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association incorporated 14 May 2014, the Companies Act 2006 and "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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### Objectives and activities

The charitable objectives ("Objects"), for which onebillion Learners is incorporated, are set out in the Memorandum and Articles of Association, and are as follows:

- 1) To advance the education of marginalised children and adults around the world in such ways as the charity trustees think fit, including by:
  - developing educational software in maths, reading and writing, in multiple languages, for children and their teachers.
  - using independent evidence-based research and evaluation to develop interventions that work.
  - setting up centres of excellence, to demonstrate best practice.
  - working with partner organisations to scale up proven solutions, using appropriate hardware.
- 2) The advancement of such other charitable purposes as the trustees shall from time to time determine.

To effect these Objects the charities Trustees have paid particular attention to:

- 1) Development of such educational solutions in schools across sub-Saharan Africa and beyond - involving supply of computer tablets equipped with educational software, training, support in installation, data gathering on usage and effectiveness, and working with governments and other charities to scale activities.
- 2) Monitoring of the effectiveness of such solutions as an educational tool, and making improvements as a result.
- 3) Exploiting success in the Global Learning XPRIZE competition to refine the solutions for reading, literacy and mathematics such that they may be deployed on a broader basis.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

# ONEBILLION LEARNERS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### Achievements and performance

The financial performance of onebillion Learners in the United Kingdom is displayed in the accompanying financial statements on pages 10 to 22.

Announced as joint winner of the Global Learning XPRIZE (GLEXP) competition in May 2019. Prize money of \$5,000,000 has been received.

Review and analysis of data from XPRIZE field-trial and review of other finalists' open-source software to refine the solutions for reading, literacy and mathematics such that they may be deployed on a broader basis.

Optimisation of 'onecourse' software for numeracy and literacy based on data from the Unlocking Talent initiative in Malawi and South Africa, GLEXP and trials within communities in Kenya.

Optimisation of adaptive mode of 'onecourse' to deliver personalised, autonomous learning sessions that address the learning needs of any child.

Completion of localisation of the 'onecourse' software into International English to reach more children across the globe.

Commencement of localisation into French for West and Central Africa (due to completed in Spring 2021).

Development of 'onetab', a customised, low-cost Android tablet dedicated to 'onecourse', designed to provide access to learning even in challenging learning environments.

Supporting partners in procurement of 'onetabs' in MOQ 1000 units directly from the tablet manufacturer.

Review of existing content management and localisation systems and planning of new systems to streamline future localisations and allow localisation of more than one language simultaneously.

Supporting partner organisation VSO Malawi to secure funding for expansion into Phase II of Unlocking Talent - which will reach 370 schools by 2023 - in conjunction with external researchers and the Malawian Ministry of Education.

Remote monitoring data showed more than 150,000 children learning with our software globally.

#### Activities during the year

Development of our 'onecourse' software:

- Design, programming and testing of our 'onecourse' software in new languages – specifically, International English (new), Swahili (recent) and Chichewa (recently enhanced content)
- Continued development of a database-driven language-agnostic engine for the literacy software.
- Prototyping and testing of new learning units to make the software more accessible to children with special educational needs.
- Planning and development of a new system to handle the demands of our reading software.
- Development of online localisation systems alongside planning and development of a new system to handle the demands of our reading software.
- Editing of open-source stories for inclusion in digital library.
- Development of 'onecourse' teacher mode to allow teachers to navigate the content before handing the tablet to a child or group of children for study.
- Partnering with NGO Hello World in Uganda to pilot both adaptive 'onecourse' and 'onetab' with families in the home, with mothers acting as 'onetab' custodians.
- Further development and optimisation of adaptive 'onecourse' mode to deliver personalised learning sessions to unknown children, including development and design of new units, matching of content to learning levels, and development and testing of algorithm to deliver appropriate content.

# ONEBILLION LEARNERS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2020**

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Development of our 'onetab' dedicated learning device:

- Building the relationship with Alldocube manufacturer in China to customise the tablet and supply 'onetab' in MOQ 1000 units to approved onebillion partners.
- Sourcing and design of tablet accessories including protective bumper, carry case and instruction card.
- Development and testing of 'onecourse' operating system
- Building relationships with system integrators to enable customisation of Android for their devices.
- Optimisation of digital literacy onboarding videos and audio for deployment of 'onetab' in remote areas with limited adult intervention.

Supporting the scaling of tablet-based learning initiatives through partner organisations:

- Supporting the Unlocking Talent initiative in Malawi by rolling out 'onecourse' software in Chichewa to participating schools in Phases 1 and 2.
- Supporting Imagine Worldwide by providing software for use in trials in Dzaleka refugee camp in Malawi.
- Supporting the Unlocking Talent model in South Africa, delivered by iSchool Africa, by providing software to five schools with children with special education needs and evaluating feedback in order to optimise for SEND students.

### Public benefit provided

The Charity's Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission. All Trustees gave their time voluntarily and received no benefits from the Charity. No Trustee reclaimed any expenses from the Charity during the current or previous year.

### Financial review

onebillion and its trading operations undertake three distinct types of activity:

- 1) Research and development of educational software the purpose of which is to meet its charitable objectives.
- 2) Feasibility and relationship development (for example with education ministries in emerging economies) to establish when and how onebillion's educational solutions can be deployed.
- 3) Specific projects, often with partners such as NGOs, to deploy and 'roll out' its educational solutions.

Projects in category (3) may be on a larger scale than those in (1) and (2). Funding is obtained in advance for any specific project of category (3), and therefore reserves are not required to ensure the progression of these projects.

Categories (1) and (2) are funded by a) the commercial sale of onebillion's educational software in developed economies for which there is a well-established trading history, reducing any forecasting risk, and by charitable donations.

### Policy on reserves

Annual budgets are prepared. Progress is monitored monthly of costs and revenues, and finances are reviewed at Trustee meetings. It is the aim of the Trustees to ensure that onebillion has enough cash, or reliable promises of donations, to fund at least 3 months forward planned activity within categories (1) and (2) above, after allowing for the forecast revenues from commercial sale of software. This level of reserves provides stability in staffing and project progression while giving time to fund-raise to avoid any shortfall or if necessary, reduce costs. onebillion has established links with a diverse range of charitable funders, including individuals, corporations, family offices and other institutions and believes there is sufficient diversity to afford reasonable confidence that additional funds could be found in time.

The success as a winner of the Global Learning XPRIZE competition has much increased the Charity's reserves. The cash and profile is also being used to scale up the activities of the Charity, in particular with new projects and distribution partners, thus placing extra demands on the Charity's resources. To mitigate medium term risk the Charity is seeking to ensure in partnership activity that it recovers an appropriate level of its direct and indirect costs. We are also confident that being an XPRIZE winner will help our fund raising.

# ONEBILLION LEARNERS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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At 31 March 2020 the group had positive reserves (as defined by the Charity Commission) of £3,563,995. This arose as a result of the significant XPRIZE income of \$5m received in the year.

The Trustees has assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Difficulty in raising unrestricted funds**

Awareness of the Charity's activities has increased significantly and the Charity has piloted a number of new products. Together, the result is many more opportunities. The challenge of securing unrestricted funds limits our capability to address the issues we see as priority. We address this by high selectivity, by continuing to invest in relationship focused direct marketing, by a diversity of unrestricted funding streams and by maximising cost recovery.

#### **Loss and corruption of data**

The risk has been mitigated by introducing further controls on external backups as well as introducing an additional back up server for the remote access.

#### **Demand for the Charity's services**

The charity remains small but its success and increased visibility, as a winner of the \$15M Global Learning XPRIZE, means the demand for its services is dramatically increasing and is likely to continue to do so. The risks are being managed by tight criteria for selection of partners to act as channels to deliver the charity's innovative learning solutions to children and schools.

#### **Future plans**

onebillion Learners is applying for funding from a range of funding sources (e.g. EdTech competitions, HNWI individuals, corporations, multilateral and bilateral donors, Trusts and Foundations) to further develop its 'onecourse' software, to localise it into different languages including French and Portuguese, to optimise the software for children with special educational needs and disabilities, and to pilot new methods of delivering this software to marginalised children.

Funding from The Royal Norwegian Embassy and KfW has been secured to support Phase II of the Unlocking Talent initiative in Malawi, which began in April 2019.

In May 2019, onebillion was named joint winner of the Global Learning XPRIZE and awarded \$5m. This is supporting the on-going development of the software and innovative solutions to implement 'onecourse' at massive scale.

#### **Structure, governance and management**

At onebillion Learners, we develop apps to help educate children, wherever they are. onebillion Learners was incorporated and registered with the Charity Commission as a charity in England and Wales in 2014 (registered charity number 1159480).

onebillion Learners is a company limited by guarantee governed by its Memorandum and Articles of Association (company number 09040143).

The Trustees, who are also the Directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr A G Ashe

Dr Simon Murdoch

Mr J M Yeomans

# ONEBILLION LEARNERS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2020**

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### **Appointment of Trustees**

In accordance with the requirement for 1/3 of the Trustees to step down annually, Simon Murdoch has stepped down and offered himself for re-election.

In accordance with Articles 32 and 33 of the Company's Articles of Association, one third of the Trustees (or a multiple of three or number closest to one-third ) will retire at the annual meeting.

Further, in accordance with Article 34 and 35 of the Company's Article of Association, additional Trustees may be appointed by the Board during the course of the year.

The criteria that the Board take into account in appointing people as Trustees is whether they possess skills that will be useful to the Board and that can be used to fill gaps in the experience, knowledge or contracts of the Board and can contribute meaningfully to the work of the Charity.

### **Organisation**

The Directors of Onebillion Learners are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees shall not be less than three in number, but are not subject to any maximum.

### **Related parties**

The Charity owns 100% of the share capital of a trading subsidiary onebillion Children Limited. One of the Trustees Andrew Ashe is also a Director of onebillion Children Limited.

### **Statement of Trustees' responsibilities**

The Trustees, who are also the Directors of Onebillion Learners for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted 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 Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditor**

Kirk Rice LLP were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.



# **ONEBILLION LEARNERS**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2020***

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### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

**Mr A G Ashe**

Trustee

Dated: 30 March 2021

# ONEBILLION LEARNERS

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ONEBILLION LEARNERS

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### Opinion

We have audited the financial statements of onebillion Learners (the 'parent Charity') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the consolidated statement on financial activities, the consolidated balance sheet, the consolidated statement of cashflow and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's charitable company's affairs as at 31 March 2020 and of the total incoming resources and application of resources, for the parent charity and its subsidiary undertakings year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 Charity 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 where:

- 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 group or the parent Charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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.

# ONEBILLION LEARNERS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ONEBILLION LEARNERS

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### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the Directors of the Charity for the purpose of company law, 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 parent Charity'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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Other matters**

The comparative financial statements are unaudited as they did not meet the requirements for an audit. We have undertaken work to validate the opening balance position.

# **ONEBILLION LEARNERS**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ONEBILLION LEARNERS**

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### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**James Moody (Senior Statutory Auditor)**  
**for and on behalf of Kirk Rice LLP**

30 March 2021

**Chartered Accountants**  
**Statutory Auditor**

13 Princeton Court  
53-55 Felsham Road  
Putney  
London  
SW15 1AZ

Kirk Rice LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# ONEBILLION LEARNERS

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<b><u>Income and endowments from:</u></b>			
Donations and legacies	3	3,975,644	38,546
Other trading activities	4	161,155	113,252
Investments	5	41,166	-
Other income	6	129,203	137,766
<b>Total income</b>		<b>4,307,168</b>	<b>289,564</b>
<b><u>Expenditure on:</u></b>			
Charitable activities	7	540,857	626,936
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>3,766,311</b>	<b>(337,372)</b>
Fund balances at 1 April 2019		(102,316)	235,056
<b>Fund balances at 31 March 2020</b>		<b>3,663,995</b>	<b>(102,316)</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# ONEBILLION LEARNERS

## BALANCE SHEET

AS AT 31 MARCH 2020

		2020	GROUP	2020	CHARITY
	Notes	£	2019	£	2019
			£		£
<b>Fixed assets</b>					
Intangible assets	11	100,000	150,000	-	-
Investments	12	-	-	234,000	234,000
		<u>100,000</u>	<u>150,000</u>	<u>234,000</u>	<u>234,000</u>
<b>Current assets</b>					
Stocks	13	18,177	-	-	-
Debtors	14	164,221	157,468	1,461,637	755,000
Cash at bank and in hand		3,510,210	166,331	3,455,514	130,257
		<u>3,692,608</u>	<u>323,799</u>	<u>4,917,151</u>	<u>885,257</u>
<b>Creditors: amounts falling due within one year</b>	16	(128,613)	(576,115)	(6,149)	(6,150)
Net current (liabilities)/assets		<u>3,563,995</u>	<u>(252,316)</u>	<u>4,911,002</u>	<u>879,107</u>
<b>Total assets less current liabilities</b>		<u>3,663,995</u>	<u>(102,316)</u>	<u>5,145,002</u>	<u>1,113,107</u>
<b>Income funds</b>					
Unrestricted funds		<u>3,663,995</u>	<u>(102,316)</u>	<u>5,145,002</u>	<u>1,113,107</u>
		<u>3,663,995</u>	<u>(102,316)</u>	<u>5,145,002</u>	<u>1,113,107</u>

## **ONEBILLION LEARNERS**

### **BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2020**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The Directors acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 30 March 2021

Mr A G Ashe  
**Trustee**

**Company Registration No. 09040143**

# ONEBILLION LEARNERS

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	18		3,677,713		(220,522)
<b>Investing activities</b>					
Investment income received		41,166		-	
<b>Net cash generated from/(used in) investing activities</b>			41,166		-
<b>Financing activities</b>					
Repayment of borrowings		(375,000)		-	
<b>Net cash used in financing activities</b>			(375,000)		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			3,343,879		(220,522)
Cash and cash equivalents at beginning of year			166,331		386,853
<b>Cash and cash equivalents at end of year</b>			<u>3,510,210</u>		<u>166,331</u>



# ONEBILLION LEARNERS

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2020**

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### **1 Accounting policies**

#### **Charity information**

Onebillion Learners is a private company limited by guarantee incorporated in England and Wales. The registered office is 315-317 New Kings Road, London, SW6 4RF, England.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Companies Act 2006 and "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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. There were no restricted funds in either year.

#### **1.4 Income**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are received from individuals and corporations. onebillion Learners reclaims Gift Aid from the HM Revenue and Customs where appropriate documentation has been received from the donor.

#### **1.5 Expenditure**

All expenditure is accounted for on an accruals basis and, in accordance with the requirements of the SORP, has either been classified directly to or allocated as appropriate support costs over the Charity's two main activities under the SORP of:

- Funding of onebillion Children
- Governance

#### **1.6 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

# ONEBILLION LEARNERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Intellectual property	over 8 years
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#### 1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument.

##### **Basic financial assets**

Debtors do not carry interest and are stated at their nominal value. Appropriate allowances for estimated irrecoverable amounts are recognised in the Profit and Loss account when there is objective evidence that the asset is impaired.

##### **Basic financial liabilities**

Creditors are not interest bearing and are included at their nominal value.

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# ONEBILLION LEARNERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	3,975,644	38,546
	<u>          </u>	<u>          </u>

### 4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Trading activity income: other	161,155	113,252
	<u>          </u>	<u>          </u>

### 5 Investments

	Unrestricted funds	Total
	2020	2019
	£	£
Interest receivable	41,166	-
	<u>          </u>	<u>          </u>

### 6 Other income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
R&D tax reclaims	129,203	137,766
	<u>          </u>	<u>          </u>

# ONEBILLION LEARNERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 7 Charitable activities

	Education of marginalised children	Education of marginalised children
	2020	2019
	£	£
Direct costs	113,233	58,619
Share of support costs (see note 8)	424,146	565,628
Share of governance costs (see note 8)	3,478	2,689
	<u>540,857</u>	<u>626,936</u>

### 8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	444,957	-	444,957	395,781	-	395,781
Depreciation	50,000	-	50,000	75,000	-	75,000
Exchange gains	(162,924)	-	(162,924)	(15,239)	-	(15,239)
Other staff costs	24,328	-	24,328	19,478	-	19,478
Repairs and renewals	5,629	-	5,629	6,622	-	6,622
Travel and accommodation	56,903	-	56,903	56,830	-	56,830
Bank charges	182	-	182	226	-	226
Insurance	433	-	433	402	-	402
General expenses	4,503	-	4,503	26,528	-	26,528
Entertaining	135	-	135	-	-	-
Accountancy	-	3,478	3,478	-	1,892	1,892
Legal and professional	-	-	-	-	797	797
	<u>424,146</u>	<u>3,478</u>	<u>427,624</u>	<u>565,628</u>	<u>2,689</u>	<u>568,317</u>
Analysed between						
Charitable activities	<u>424,146</u>	<u>3,478</u>	<u>427,624</u>	<u>565,628</u>	<u>2,689</u>	<u>568,317</u>

Governance costs includes payments to the auditors of £5,500 (2019- £NIL) for audit fees.

### 9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

# ONEBILLION LEARNERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 10 Employees

The average monthly number of staff employed by the subsidiary was 10 (2019: 10). The Charity does not employ any staff.

During the year one employee earned salary in the bracket £70k - £80k (2019: 0) and none in the bracket £60k - £70k (2019: 1). Employer's pension contributions for this employee were £1,463 (2019: £1,300).

Employment costs	2020 £	2019 £
Wages and salaries	444,957	395,781

### Key management personnel

The Trustees are considered to be the key management personnel and they have waived their right to any emoluments from onebillion Learners. Full time local staff salaries are determined by negotiation and reference to rates in the area for comparable work.

### 11 Intangible fixed assets

	Intellectual property £
<b>Cost</b>	
At 1 April 2019 and 31 March 2020	750,000
<b>Amortisation and impairment</b>	
At 1 April 2019	600,000
Amortisation charged for the year	50,000
At 31 March 2020	650,000
<b>Carrying amount</b>	
At 31 March 2020	100,000
At 31 March 2019	150,000

The Charity does not hold any intangible assets.

### 12 Fixed asset investments

	2020 £	GROUP 2019 £	2020 £	CHARITY 2019 £
Shares in group undertaking	-	-	234,000	234,000

The Charity's investments at the Balance Sheet date in the share capital of companies include the following:

# ONEBILLION LEARNERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 12 Fixed asset investments

(Continued)

#### Subsidiary

##### onebillion Children Limited

Registered Office: 315-317 New Kings Road, London SW6 4RF

Company Number: 08966136 (England and Wales)

100% Ordinary Shares held

The results for this subsidiary were as follows:

	2020 £	2019 £
Turnover	311,155	213,183
Expenditure	(576,739)	(479,264)
Net loss to the Charity	(265,584)	(266,081)
	£	£
Aggregate capital and reserves	(1,247,007)	(981,423)
Aggregate assets	337,094	343,543
Aggregates liabilities	1,584,101	166,089

### 13 Stocks

	2020 £	2019 £
Finished goods and goods for resale	18,177	-

### 14 Debtors

	2020 £	GROUP 2019 £	2020 £	CHARITY 2019 £
Amounts falling due within one year:				
Trade debtors	19,687	14,909	-	-
Corporation tax recoverable	129,203	137,766	-	-
Amounts owed by fellow group undertakings	-	-	1,461,637	755,000
Other debtors	15,331	4,793	-	-
	164,221	157,468	1,461,637	755,000

# ONEBILLION LEARNERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 15 Loans and overdrafts

	2020	GROUP	2020	CHARITY
	£	2019	£	2019
		£		£
Directors' loans	100,000	100,000	-	-
Other loans	-	375,000	-	375,000
	<u>100,000</u>	<u>475,000</u>	<u>-</u>	<u>-</u>
	<u><u>100,000</u></u>	<u><u>475,000</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Payable within one year	100,000	475,000	-	-
	<u><u>100,000</u></u>	<u><u>475,000</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Amounts within Directors loan are not interest bearing and are repayable on demand.

### 16 Creditors: amounts falling due within one year

	2020	GROUP	2020	CHARITY
	£	2019	£	2019
		£		£
Borrowings	100,000	475,000	-	-
Other taxation and social security	10,864	-	-	-
Trade creditors	13,225	94,089	3,000	3,000
Other creditors	-	3,877	-	-
Accruals and deferred income	4,524	3,149	3,149	3,150
	<u>128,613</u>	<u>576,115</u>	<u>6,149</u>	<u>6,150</u>
	<u><u>128,613</u></u>	<u><u>576,115</u></u>	<u><u>6,149</u></u>	<u><u>6,150</u></u>

# ONEBILLION LEARNERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2020**

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### **17 Related party transactions**

#### **Transactions with related parties**

During the period under review there was charitable expenditure of £150,000 (2019: £182,051) made to the subsidiary onebillion Children Limited, for the furtherance of the Charity's objectives. At the balance sheet date, £1,463,000 was due to the Charity from the subsidiary (2019: £755,000). This amount is interest-free and repayable on demand.

At the balance sheet date £100,000 (2019: £100,000) was owed Andrew Ashe, a Trustee and director. The balance is interest-free and repayable on demand.

During the year, purchases of £111,695 were made from Eurotalk Ltd, a company in which Andrew Ashe is a significant shareholder. At the balance sheet date, nothing was due to Eurotalk Ltd in relation to these purchases (2019: £79,940). Furthermore, there was previously a loan made from Eurotalk to onebillion Learners for the purchase of the intellectual property. This is all paid off in the period under review (the balance outstanding at 31 March 2019 was £375,000). This loan was interest-free and repayable on demand.

#### **Guarantors**

onebillion Learners is a company limited by guarantee. In the event of a winding-up, the liability of each of the members is limited to £10. At 31 March 2020 the Members of the company were all Trustees as listed in the Trustees Report.



# ONEBILLION LEARNERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18	Cash generated from operations	2020 £	2019 £	
	Surplus/(deficit) for the year	3,766,311	(337,372)	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(41,166)	-	
	R&D tax credit refund	137,766	-	
	Amortisation and impairment of intangible assets	50,000	75,000	
	Taxation	(129,203)	(137,766)	
	Movements in working capital:			
	(Increase) in stocks	(18,177)	-	
	(Increase)/decrease in debtors	(15,316)	113,777	
	(Decrease)/increase in creditors	(72,502)	65,839	
	<b>Cash generated from/(absorbed by) operations</b>	<b>3,677,713</b>	<b>(220,522)</b>	
19	<b>Analysis of changes in net funds/(debt)</b>			
		<b>At 1 April 2019 £</b>	<b>Cash flows £</b>	<b>At 31 March 2020 £</b>
	Cash at bank and in hand	166,331	3,343,879	3,510,210
	Loans falling due within one year	(375,000)	375,000	-
		(208,669)	3,718,879	3,510,210

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