



Our Mission is to empower vulnerable and underprivileged children in Rwanda, by first ensuring they are integrated in an environment where their basic growth and development needs are met, and by then providing them and their families with the tools and resources, they need for these children to have a bright, independent and sustainable future.



Shelter Them Annual Report 2020

Message from the Country Director

2020. The year that will always be remembered for the COVID-19 pandemic.

Rwanda was able to avoid the worst of the impact of the pandemic, but of course it affected our work at Shelter Them. Schools were closed across the country, but our students continued their education remotely, or through lessons over the radio. Local markets were closed, except those providing essential services, but Shelter Them staff were able to get food regularly to all of our beneficiaries.

Best of all, not one Shelter Them child contracted Coronavirus in 2020. Not one parent, not one staff member, and for that we are extremely grateful. Shelter Them adjusted its work plan to continue serving its beneficiaries as you will read in this Annual Report. Shelter Them is proud of what it has accomplished in 2020 including the construction of 5 houses for our beneficiaries and facilitating the move into



those houses for beneficiaries that resided in Kigali.

In 2021, Shelter Them will strengthen its interventions to empower beneficiaries to acquire knowledge, skills and opportunities to build for themselves an independent and sustainable future.

Of course, Shelter Them could not do much without the continuing generosity and support of our donors and sponsors. That generosity is just one more thing we have to be thankful for in this year of pandemic. In the name of Shelter Them team in Rwanda, I sincerely thank all those supporters who continued to remember our children through this difficult time for everyone.

Signature

Jules Higiyo

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I. Introduction

Shelter Them Batarure is a National Non-Governmental Organization registered in Rwanda. In 2020, Shelter Them Batarure moved its office from Kigali to Bugesera to be close to their beneficiaries where they have been relocated in exploration of the opportunities for their socio economic transformation. As for now, Shelter Them main office is located in Bugesera District, Nyarugenge Sector, Kabuye Cell and Gateko Village.

Shelter Them Batarure is led by a group of people with different culture and skill experiences. This advantage has made this organization a successful one because of its multicultural working environment. This group is defined as the General Assembly which is the highest organ of Shelter Them.

The Executive Committee is made of 6 Board of Trustees who oversees Shelter Them strategic management and formulates policies that guide Shelter Them executive.

The daily management of this Organization is under the Country Manager who is supported by an Accountant and 4 project managers. The Education program which covers many activities counts 9 caregivers and one cook for the Early Childhood Education Center.

II. Projects overview

1. Sponsorship

Shelter Them's sponsorship program remains a priority. It began in 2012, when a Shelter Them team from Canada witnessed the enormity of the problem of child poverty in Rwanda. At that time, Shelter Them focused just on children in Kigali where the problem of street children, orphaned or abandoned in the years following the genocide, was especially serious.

In 2016, we expanded the program to include children in the village of Gateko, in Bugesera District. In 2020, **27 children were sponsored in Kigali by 75 Canadian sponsors and 71 children were sponsored in Bugesera by 138 Canadian sponsors.**

HOW TO SPONSOR A CHILD?

- ***100% of sponsorship contributions go to the shelter, nutrition, education and the health care of our children***
- ***Once involved, you will receive a welcome package, providing more details on your sponsor child***
- ***As a sponsor, you can have regular written contact with your child, with all correspondence from your child sent directly to you through Shelter Them team members***
- ***You can also contact your child directly via our website at any time. The kids love to hear from their sponsors!***
- ***For more information, please contact us at info@shelterthem.com or davidjenkins@shelterthem.com***

1.1. Sponsorship Success Stories



A Man on the Move!

Jean Claude (Papy) Bananimana is one of our great success stories of 2020. Papy was one of the first four boys, homeless street kids, who were rescued in 2006 from a life of poverty, hunger and petty crime and placed in the first home rented by Shelter Them to provide the boys with shelter, food, and education. Papy had many of the ups and downs over the years as anyone would expect of a boy who grew up an orphan, living on the streets in the years following the genocide. But with the patience and guidance of Jules Higirot and the staff of Shelter Them, as well as the love and support of his Shelter Them sponsors, Papy graduated from secondary school, and now in 2020, he has graduated from sponsorship.

He has found his purpose in life, and he is incredibly grateful to his sponsors for enabling him now to build his own independent future. He is now the Projects Coordinator for an organization called Journey House, which ministers to the needs of children who have suffered hardships not so very different from Papy's early life. He knows intimately what they have experienced and now he is the one who is providing guidance. Papy epitomizes what Shelter Them is all about: to work with boys and girls to create men and women who have the skills and character to carve out their own independent future.

A Shelter Them Girl, Uwimbazi Kevine Has Rejoined her Family!

A common desire for the children sponsored by Shelter Them is that they will one day be able to rejoin their own families. That day has come for one of Shelter Them fostered girl, Kevine Uwimbabazi. In 2008, Kevine was brought to Shelter Them following the death of her mother. Kevine's aunt had no means at the time to take care of her niece, but now those circumstances have changed and Kevine is going to live with her aunt. On October 13th, 2020 Shelter Them has facilitated the reintegration of Kevine Uwimbabazi into her family.

As Kevine transitioned to living with her biological family, Shelter Them will continue to help her family with medical and educational costs for Kevine. Shelter Them will continue to watch over to ensure she builds a bright future for herself.



2. Education

Amidst Covid-19 pandemic, the Government of Rwanda has closed all schools from March 2020 in order to minimize the impact of the pandemic. Students from primary to secondary schools were given the alternative of following lessons on radio and television instead.

Shelter Them supported students were able to continue their education through the donation of radio sets. In total **92 children were supported in education, from primary school to University. Among those, 87 students attend primary and secondary schools in both Bugesera and Kigali and 5 students attend university education in Kigali.**



2.1. Education is the Key to Success – Shelter Them's Post-Secondary Students

If education is the key, then for these young people, the door to their success is wide open. Before they were sponsored by Shelter Them supporters, they could not hope to attend university. But just look at them now:

- ✓ Marcel Iradukunda is in his final year of his degree program at Mount Kenya University in Mass Media and Communication.
- ✓ Jean Claude Havugimana is in his final year of studying Construction Engineering in a community college.
- ✓ Khesia Niyonsenga is in her second year in Accounting at a university in Kigali.
- ✓ Jean D'Amour Iradukunda has received a Government sponsorship, granted for his excellent academic performance. He is waiting out COVID-19 to begin his studies in Business Information Technology.
- ✓ Business Information Technology at a university in Kigali.
- ✓ Aline Uwatese has successfully completed her secondary education and is waiting on COVID to begin her studies in her Bachelor of Business Management in a private university in Kigali.



Left to right: Jean D'Amour Iradukunda, Aline Uwatese, Khesia Niyonsenga, Jean Claude Havugimana, and Marcel Iradukunda

These are the first young people from Shelter Them to reach post-secondary education, but they will not be the last! Thanks to the generosity and support of Shelter Them sponsors, the door is open for all to achieve academic excellence. And they are striding through that door!

3. Early Childhood Development Centre

The Early Childhood Development Center closed doors in March 2020 due to Covid-19 pandemic. Fortunately, the center's staff were able to provide educational material to our preschool students. Shelter Them continued to provide food to all of our children to maintain nutrition and checked in

regularly to monitor their welfare during the pandemic. The center in 2020 was providing services to **100 children aged 3 to 6 years in Bugesera districts. Additional 4 children continued to be supported to access early childhood development services in Kigali.**



4. Water and Sanitation Support

To respond to the water access difficulties of Gateko village in Bugesera, where Shelter Them beneficiaries live, early 2020 found Shelter Them planned to provide a well for the village of Gateko.

Financing was complete, thanks in no small part to a generous donation from Gay Lea Foods. The site inspection was complete, and the crew from H2O4ALL was ready to begin work. Then, COVID-19 struck, and work had to stop. It was a major disappointment, for the well was to provide a source of fresh water not only for Gateko and six surrounding villages, but also for the new preschool operating in the new Community Centre we had built. Fortunately, we were able to arrange a temporary source of water in



cooperation with local authorities. H2O4ALL is ready to go as soon as COVID is under control, but we will need to wait for 2021 to celebrate the completion of a well for Gateko. It will bring huge advantages for Gateko and its neighboring villages.

5. Social Economic Empowerment

1. Community Center in Gateko

In 2020, the beneficiaries of Shelter Them and the wide community of Gatako village started using the Community Centre that Shelter completed in 2019. The center has become a hub for the community. It is the place where community groups can come to discuss important issues. Members of the farming cooperative have used the space to learn how to improve their farming practices.

Shelter Them has partnered with Save Generations Organizations, a Rwandan NGO that promotes and advocates for child and women's rights. They have used the Centre to

advise girls on how to make informed and responsible choices regarding sexual and reproductive health, and they have also provided training on entrepreneurship, including insight regarding savings, and starting a small business. It has been used to provide training for the caregivers in our Early Childhood Development Centre. And COVID permitting, the Centre will again echo with the sounds of preschool children as they begin their education journey in our Early Childhood Development Centre.



2. Sewing Project

“Berwalwacu” is a sewing cooperative created mainly to build the capacity of Shelter Them beneficiaries to be able to make garments for sale. The cooperative members have been living for so long fully dependent on Shelter Them aid to be able to support their families or the children under their care as foster families. At the beginning Shelter Them provided training to 14 persons who have later formed after this sewing cooperative in this year 2020. Berwalwacu has been formally granted the working certificate to operate by the Rwanda Cooperative Agency, and was officially published in the Gazette of the Republic of Rwanda among many other cooperatives operating in Rwanda. Shelter Them Batarure has supported to equip with enough equipment made of 10 sewing electrical machines. Early in 2020, Berwalwacu won the bid to make school uniforms. When the Covid-19 pandemic started in Rwanda, Berwalwacu obtained the authorization certificate to produce Covid-19 face masks by

Rwanda FDA because they fulfilled the requirements set by that institution.

In May 2020, for two weeks BERWA IWACU partnered with UZI Collection (a local fashion designing company) were 11 cooperative members made 3,535 face masks. The total sales amounted to RWF 1,414,000. Total salary for 11 sewing members was RWF 488,930 and net profit of RWF 46,394 per cooperative member.

The sewing cooperative was challenged by the incoming of many companies entering in crowd to make face masks and they had to stop because the market of masks was jam-packed. Since the relocation of Shelter Them beneficiaries from Kigali to Gateko, the sewing cooperative is reorganizing to continue its activities, though Covid-19 has impacted the sewing business like many others.



3. Farming and Saving Cooperative “TubehoNeza”

TubehoNeza Farming and Saving Cooperative is a community social enterprise formed to empower and create opportunities to Shelter Them beneficiaries so that they can fulfill their parental responsibilities in taking care of their households economically. This cooperative is comprised of 38 members of whom 12 have been in previous years assisted by Shelter Them to get shelters, food and other basic needs of life. Since 2020 Shelter Them stopped providing food to its beneficiaries in the community of Gateko, instead has lent them a land and provided assistance to acquire the skills which enable them to attain the production needed to feed their families.

development and entrepreneurship in order to develop their social economic wellbeing and for their communities. As a result, this cooperative made a remarkable progress in their farming activities. The production they expect from the maize farm they have undertaken is one of the largest they have ever had in the past regardless of the bad season which occurred near harvest stage. The cooperative members expect to sale their production whereby a percentage of their income will be saved in their saving scheme to expand their farming and the rest will be equally divided between cooperative members.

All through the year Shelter Them Batarure in partnership with Save Generations Organization trained 38 members of TubehoNeza cooperative in life skill

4. Family Support

Cooperative members working on its bean plantation



Family Support is the first program which started with Shelter Them because it was only one way to rescue the most vulnerable children who have been victims of different vulnerability statuses, such as being orphaned, homelessness, living in extreme poverty, etc. Family support program provides the basic life needs such as shelter, food, clothes, healthcare and other necessities every household may need.

In 2020 Shelter Them improved its programming to support beneficiaries achieve a sustainable and independent living. Five houses were built for Shelter Them beneficiaries in 2020 and Shelter Them rented 10 additional houses for its beneficiaries. In addition to housing, beneficiaries received food and healthcare coverage.



III. Safeguarding Duties

Shelter Them continues to grow, and that is a good thing, but with greater success comes greater responsibility. Our greatest responsibility is the safety and welfare of the children in our care. For that reason, 2020 has been a year to reexamine our policies and bring them up to the highest standard.

To that end, we have created service agreement contracts, project approval requirements and guidelines, employee job descriptions and contracts. In addition, we have revamped many of our policies and procedures completely:

- ✓ Our new Child Protection Policy clearly explains every child's right to protection and focuses on awareness, prevention, reporting and responding to any situation that challenges that protection.
- ✓ Our revised Code of Conduct clearly outlines the roles and responsibilities of all Shelter Them Board members, employees, volunteers, and beneficiaries.
- ✓ We created a Whistleblower Policy to address any situations that contravene our Child Protection Policy or Code of Conduct.
- ✓ All of our policies adhere to the laws stipulated by the Government of Rwanda, United Nation's Convention on the Rights of the Child and the African Charter of Rights and Welfare of the Child.

We have implemented a training program so that all employees and anyone associated with Shelter Them is aware of these policies and abides by them. We have also provided training for our accounting staff to reform the accounting details, stressing the importance of transparency and improving the accounting language used. We plan to provide a Workplace Safety policy in 2021. All of these steps will allow us to continue to fulfill our mission and achieve our New Vision with commitment, accountability, and transparency.

These safeguarding policies can be found on our website, www.shelterthem.com under the heading **What We Do**. Please take the time to understand how seriously we take our responsibilities.



IV. Shelter Them Partnerships and Fundraising Ventures in 2020

COVID-19 has had a big impact in developing countries like Rwanda, but we need to remember that it has brought big changes to life in developed countries as well. Fortunately, despite the hardships imposed by the pandemic in Canada, the generosity of our supporters has helped to sustain our work at Shelter Them. Here is a list of the many fundraising activities in 2020 of Shelter Them Poverty Relief, the Canadian fund-raising arm of Shelter Them Rwanda.

- ✓ Our first fundraiser for 2020 was our annual **“Hearts for Rwanda” campaign**. Unfortunately, despite the success we were having, the COVID pandemic caused us to discontinue the campaign in mid-March.
- ✓ April saw the launch of our annual **“100 Days of Change” campaign**. It ran in Newfoundland from April 7 to July 17, the 100 days that remind us of the 100 days of the Rwandan genocide. It continues to be a successful fundraiser.
- ✓ With the arrival of COVID-19, Shelter Them was forced to cancel our **Ontario gala** in May this year. This should have posed a real problem for Shelter Them, because the gala is an important fundraising activity. But the gala committee refused to be defeated by a virus, and they planned an amazing virtual gala on Zoom. Over 40 people attended from their own homes, and it certainly helped in our fundraising efforts.
- ✓ The **child sponsorship program** continues to be our main source of income. By the end of 2020, we had 213 sponsors donating \$40 per month to provide food, shelter, education, and medical care for 98 children in Rwanda.
- ✓ Shelter Them launched a new campaign this year in support of our **Early Childhood Development Program**. Providing preschool education is very expensive in Rwanda, so Shelter Them gave supporters the opportunity to help give a fair start to the education of young lives in Rwanda. How? By joining our ECDC Club. A donation of \$15 per month goes exclusively to cover the cost of our preschool in Gateko that gives a head start to the education of 100 children 1 to 6 years of age. The money not only helps to pay for salaries and supplies, but also provides each child with a well-balanced meal each day, often the only one they will have. 42 people joined the ECDC Club this year, and we are hoping the support will grow even more in 2021.
- ✓ As COVID-19 restrictions eased in Newfoundland in October, our team of volunteers were able to host their **Fourth Annual Shelter Them Dinner and Auction**, which proved to be a great success.
- ✓ In December Shelter Them held a **Christmas drive** to raise the necessary funds for Shelter Them Rwanda to celebrate Christmas by presenting all the children with special gifts, usually the only ones they would receive.
- ✓ Throughout the year Shelter Them also received financial support from **businesses, churches, and other organizations, as well as individuals** who hosted their own

fundraisers / birthday parties in support of Shelter Them. All of the monies raised from these activities are used to fund our programs in Rwanda such as education, healthcare, and nutrition, and provide a secure and loving environment where our kids' basic growth and development needs are met.

- ✓ In December Shelter Them also launched a new campaign through **Global Giving** to raise funds for the construction of 5 homes on our land in Gateko Village. Global Giving is a non-government organization (NGO) that supports other non profits by connecting them to donors and companies who wish to support their work. Since 2002, they have helped trusted, community-led organizations through out the world to access the tools, training, and support they need to make our world a better place. They have recognized Shelter Them as just such an NGO, and they are coordinating with us on this exciting new fundraiser to build five brand new homes in Gateko for 26 children and their parents.

This partnership with Global Giving is an important new step in our fundraising efforts on behalf of Shelter Them. There is no doubt that the success of Shelter Them up to this point could never have happened without the continuing generosity and compassion and loyalty over the years of our many supporters. However, as our vision expands the work of Shelter Them, we also need to expand our funding base. This is what our partnership with Global Giving helps us to accomplish. An important component of our new strategic plan is to expand our partnerships with government and non- government organizations, but we know that our important work in Rwanda could never continue without the continuing loyalty and generosity of our compassionate supporters who have been with Shelter Them from the beginning to improve the lives of our children and families in Rwanda.

V. Challenges

Due to COVID-19, activities of Shelter Them slowed down and one particular activity did not take place. The regular trip to Rwanda of a team of our sponsors and supporters had to be put off, to the great disappointment of our children, who can't wait to see again those people from the other side of the world who love and care for them. But the trip will happen again as soon as COVID-19 is defeated. The virus has not defeated us.

VI. Financial Performance

In 2020 Shelter Them Rwanda donations increased by 7 million RWF (4% growth on year) from 169 million RWF in 2019 to 176 million RWF in 2020. Of the 176 million RWF received, 135.1 million were unrestricted funds and 40.9 million RWF were for restricted purposes.

Most of Shelter Them Rwanda's donations come from Shelter Them Poverty Relief, our sister charity headquartered in Canada. The reason for the increase in donations in 2020 was directly attributable to an increase in restricted donations, primarily for the completion of the Community Centre and the construction of housing in Gateko. Restricted donations were 7.3 million RWF higher in 2020 versus 2019.

Total cash expenditures for the year were approximately 164 million RWF. Of this total, 124 million was spent on operating expenses for our program activities to support families with food, shelter, education and healthcare.

In addition to operating expense, 39.9 million RWF was spent in 2020 on the construction of capital projects. The Community Centre construction was completed in 2020 and a block of five houses were constructed on Shelter Them owned land in Gateko.

The table below shows the distribution of cash expenditures by program areas:

	Total Funds 2020	Total Funds 2019
	RWF 000	RWF 000
Operating Expenditures on Charitable Activities		
Family Support	47,815	55,889
Education	23,962	17,721
Healthcare	3,837	3,890
ECDC Setup and Operation	16,021	26,799
Capacity Building	5,474	2,174
Administration and Management	27,101	25,560
	-	-
Total Operating Expenditure	124,210	132,034
Capital Expenses		
Construction in Progress - Community Centre	1,851	34,961
Construction in Progress - Housing Construction	38,054	
Total Capital Expenditure	39,905	34,961
Total Cash Expenditure	164,115	166,995

Operating Expenditures

Family Support

Family support costs were lower in 2020, primarily due to the move from Kigali of families, saving home rental costs.

Education

Education costs were higher in 2020 due to the additional number of students plus the additional number of sponsored children who are now attending university. In addition, Education Staff who were dedicated to ECDC in 2019 are now allocated to education programs as their roles have expanded, shifting costs from the ECDC.

Healthcare

Healthcare costs were approximately the same in 2020 as 2019 with no major changes.

ECDC

ECDC costs were lower in 2020 from 2019 for several reasons. The relocation of Shelter Them from Kigali to Gateko resulted in the closure of the ECDC in Kigali, saving operating costs for much of 2020. Additionally, the COVID epidemic limited our ability to open the ECDC in Gateko, which reduced operating costs for that operation as well. Costs of professional staff were also reallocated to education, but this was partially offset by salary increases for ECDC caregivers. A major expense of 9 million RWF was incurred to purchase additional equipment for the ECDC in Gateko, from restricted funds for that purpose.

Capacity Building

Capacity building was higher than 2019 due to the purchase of 4.7 million RWF of sewing materials for Berwa. Activity to support the farming cooperative was the remainder of the 5.4 million RWF of 2020 costs.

Administration and Management Costs

Administration and management costs of 27 million RWF include the costs of the County Manager, other administrative staff and the overhead costs of the organization. Costs were up from 2019 due to the transition of the organization from Kigali to Gateko, as costs were incurred for the Community Centre and the Kigali office, plus additional bonus costs.

Capital Expenditures

Two major construction projects were completed in 2020. The Community Center construction was completed in June of 2020 at a final capitalized construction cost of 36.8 million RWF. The Housing Block of Five Houses was completed in December of 2020 at a capitalized cost of 38.1 million RWF.

Direct versus Indirect Costs

The following table is a representation of how operation funds are spent. Direct costs are specific to programs. Staff costs are costs specific to Shelter Them Rwanda employees. Support costs are the cost of facilities and general support.

	2020		2019		2018	
	RWF 000	%	RWF 000	%	RWF 000	%
Direct costs	67,615	54%	89,606	68%	80,269	72%
Staff costs	46,612	37%	35,408	27%	21,876	20%
Support costs	<u>9,983</u>	9%	<u>7,020</u>	5%	<u>9,579</u>	9%
Total costs	<u>124,210</u>		<u>132,034</u>		<u>111,724</u>	

Direct costs are lower in 2020 due to reductions in family support and reduced education/ECDC costs due to the pandemic.

Staff costs in 2020 increased due primarily to employee additions and timing. One of the main reasons for the increase is that we now have a full year of salaries for several positions included in 2020 costs. The Education Coordinator and the Sponsorship Coordinator both joined in April of 2019, which means we have an additional three months of salary for both of them in 2020. ECDC Caregivers also joined in April 2019, plus their salaries were significantly increased in 2020. Additionally, 2020 includes the bonuses for 2019 which were not paid until 2020, plus the 2020 bonuses paid in December 2020.

Support costs are higher due to the additional costs of the Community Centre and additional telecom and additional staff travel costs.

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2020

	Unrestricted funds	Restricted funds	Total funds	Total funds	Total funds
	2020 RWF 000	2020 RWF 000	2020 RWF 000	2019 RWF 000	2018 RWF 000
Incoming resources					
Donations and legacies	135,131	40,912	176,043	168,681	115,961
Donated goods, facilities and services	-	-	-	-	-
	-	-	-	-	-
Total	135,131	40,912	176,043	168,681	115,961
Resources expended					
Raising funds	-	-	-	-	-
Charitable activities	110,220	13,990	124,210	133,014	110,260
Total	110,220	13,990	124,210	133,014	110,260
Net income/(expenditure) before investment gains/(losses)	24,911	26,922	51,833	35,667	5,701
Net gains/(losses) on investments	-	-	-	-	-
Foreign Exchange Gains/(Losses)				100	(48)
Depreciation		(4,592)	(4,592)	(3,513)	(1,464)
Net income/(expenditure)	24,911	22,330	47,241	32,254	4,190
Extraordinary items	-	-	-	-	-
Transfers between funds	26,974	26,974	-	-	-
Other recognised gains/(losses):					
Gains and losses on revaluation of fixed assets for the charity's own use	-	-	-	-	-
Other gains/(losses)	-	-	-	207	-
Net movement in funds	51,885	(4,644)	47,241	32,461	4,190
Reconciliation of funds:					
Total funds brought forward	56,708	4,644	61,352	28,892	24,702
Total funds carried forward	108,593	0	108,593	61,352	28,892

BALANCE SHEET

For the year ended 31 December 2020

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2020	Total Funds 2019	Total funds 2018
	RWF 000	RWF 000	RWF 000	RWF 000	RWF 000	RWF 000
Fixed assets						
Intangible assets	-	-	-	-	-	-
Tangible assets		86,864	13,704	96,568	61,255	29,807
Total fixed assets	-	86,864	13,704	96,568	61,255	29,807
Current assets						
Stocks	-	-	-	-	-	-
Debtors		100	-	100	-	-
Investments	-	-	-	-	-	-
Cash at bank and in hand	27,617		-	27,617	15,833	13,192
Total current assets	27,617	100	-	27,717	15,833	13,192
Creditors: amounts falling due within one year		-	-	-	-	-
Net current assets/(liabilities)	27,617	100	-	27,717	15,833	13,192
Total assets less current liabilities	27,617	86,964	13,704	124,285	77,088	42,999
Creditors: due within one year		-	-	-	1,052	404
Provisions for liabilities	1,988	-	-	1,988	-	-
Total net assets or liabilities	25,629	86,964	13,704	122,297	76,036	42,595
Funds of the Charity						
Bugesera Land	-	-	13,704	13,704	13,704	13,704
Sewing		0		0	4,644	
ECD	-		-	-	-	5,960
Buildings		74,688		74,688	34,961	
Vehicle		9,077		9,077	12,590	
General Funds	24,829	-	-	24,829	10,138	22,931
		-	-	-	-	-
Total funds	24,829	83,764	13,704	122,297	76,037	42,595

CASHFLOW STATEMENT

For the year ended 31 December 2020

	2020	2019	2018
	RWF 000	RWF 000	RWF 000
Cash flows from operating activities:			
Net (expenditure)/income for the year	47,241	33,234	4,237
Depreciation	4,592	3,514	1,464
Increase/(decrease) in creditors and provisions	(144)	1,052	404
Net cash provided by (used in) operating activities	51,689	37,800	6,105
Cash flows from investing activities			
Dividends interest and rents from investments			
Proceeds from the sale of property plant and equipment			
Purchase of property, plant and equipment			(17,567)
Construction in Progress (Gateko Community Centre)	(1,851)	(34,961)	
Construction in Progress (Housing Construction)	(38,054)		
Proceeds from sale of investments			
Purchase of investments			
Net cash provided by (used in) investing activities	(39,905)	(34,961)	(17,567)
Cash flows from financing activities			
Repayments of borrowing/financing activities		(197)	
Receipt of endowment			
Net cash provided by (used in) financing activities	0	(197)	0
Change in cash and cash equivalents in the reporting period	11,784	2,642	(11,462)
Cash and cash equivalents at the beginning of the reporting period	15,833	13,192	24,702
Change in cash and cash equivalents due to exchange rate movements	0	0	(48)
Cash and cash equivalents at the end of the reporting period	27,617	15,833	13,192

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

Note 1 - Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognized at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the International Financial Reporting Standards.

1.2 Going concern

It is considered that there are no material uncertainties about Shelter Them - Rwanda's ability to continue as a going concern, subject to the continued availability of funding from partner charities. There are no material uncertainties affecting the current year's accounts.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period

1.5 Material prior year errors

No material prior year error has been identified in the reporting period

Note 2 - Accounting policies

2.1 Income Recognition

All incoming resources are recognized once the charity has entitlement to the resources, it is probable (more likely than not) that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability.

2.2 Funds structure

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as:

- A restricted fund or
- An endowment fund.

Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose.

Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent. These funds are sub analyzed between those where the trustees have the discretion to spend the capital (expendable endowment) and those where there is no discretion to expend the capital (permanent endowment). Shelter Them - Rwanda has one permanent endowment fund - the piece of land owned by the charity in Bug sera and donated by the government of Rwanda."

2.3 Donated goods

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognized on receipt. In the reporting period in which the stocks are distributed, they are recognized as an expense at the carrying amount of the stocks at distribution.

Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale and recognized in 'Income from other trading activities' with the corresponding stock recognized in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognized as 'Income from other trading activities'.

Tangible fixed assets donated to the charity for ongoing use have been recognized at an estimated market value upon receipt. Such assets have been capitalized or expensed in line with the charity's fixed asset policy.

2.4 Support costs

Support costs are those costs which do not relate directly to a single activity. These include some staff costs, building costs, costs of administration, internal and external audit costs and IT support.

2.5 Fundraising costs

The costs of generating funds are those costs attributable to generating income for the charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of the charity's objects. The costs of generating funds represent fundraising costs together with investment management fees.

2.6 Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs.

2.7 Foreign currencies

The functional currency of Shelter Them - Rwanda is RWF.

2.8 Tangible fixed assets

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

Motor vehicles	5 years (straight line)
Buildings	20 Years (straight line)
Land	has no depreciation rate.

2.9 Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in 90-day notice interest bearing savings accounts.

Note 3 Income from Donations and Legacies

	Unrestricted funds 2020 RWF 000	Restricted funds 2020 RWF 000	Total funds 2020 RWF 000	Total funds 2019 RWF 000	Total funds 2018 RWF 000	Total funds 2017 RWF 000
Donations and gifts	135,131	40,912	176,043	168,681	115,961	91,213
General grants	-	-	-	-	-	-
Membership subscriptions and sponsorships	-	-	-	-	-	-
Gifts in kind	-	-	-	-	-	-
Total	135,131	40,912	176,043	168,681	115,961	91,213

Note 4**Operating Expenditures on Charitable Activities**

	Unrestricted funds 2020 RWF 000	Restricted Funds 2020 RWF 000	Total funds 2020 RWF 000	Total funds 2019 RWF 000	Total funds 2018 RWF 000
Operating Expenditures on Charitable Activities					
Family Support	47,815	-	47,815	55,889	95,203
Education	23,962		23,962	17,721	
Healthcare	3,837		3,837	3,890	
ECDC Setup and Operation	6,675	9,346	16,021	26,799	
Capacity Building	830	4,644	5,474	2,174	5,685
Administration and Management	27,101	-	27,101	25,560	-
			-	-	10,831
Total Operating Expenditures	110,220	13,990	124,210	132,034	111,719
Capital Expenses					
Construction in Progress - Community Center		1,851	1,851	34,961	
Construction in Progress - Housing Construction		38,054	38,054		
Total Capital Expenditures	-	39,905	39,905	34,961	-
Total Cash Expenditures	110,220	53,895	164,115	166,995	111,719

Note 5**Analysis of Staff Costs**

	2020 RWF 000	2019 RWF 000	2018 RWF 000	2017 RWF 000
Salaries and wages	40,052	21,953	13,507	17,999
Social Security and Pension costs	3,363	10,337	6,280	6,757
Staff bonus	3,196	933	-	1,330
Benefits in kind		2,184	2,089	1,089
Other employee benefits	-	-	-	24
Total staff costs	46,611	35,408	21,876	27,199

Staff Costs increased significantly due to several factors. One of the main reasons for the increase is that we now have a full year of salaries for several positions included in 2020 costs. The Education Coordinator and the Sponsorship Coordinator both joined in April of 2019, which means we have an additional three months of salary for both of them in 2020. ECDC Caregivers also joined in April 2019, plus their salaries were significantly increased in 2020. Bonuses for two years are also included in 2020 costs, as the 2019 bonuses were not paid until 2020.

The large increase of salaries and wages category in 2020 is also impacted by the inclusion of PAYE now in that category, rather than being included in Social Security and Pension Costs. For 2020, the PAYE amount is \$10.6 million RWF, which is a deduction from gross pay starting in 2020, versus previous practices of only reporting the net salary as the salary and wage costs.

Benefits in kind in prior years were for automotive costs and the classification of these costs as staff costs were discontinued for 2020.

Note 6 Tangible fixed assets

	Freehold land & buildings	Other land & buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equipment	Total
	RWF 000	RWF 000	RWF 000	RWF 000	RWF 000
At beginning of the year	13,704	34,961	17,567	-	66,232
Additions	-	39,906	-	-	39,906
Revaluations	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers *	-	-	-	-	-
At end of the year	13,704	74,867	17,567	-	106,138
6.2 Depreciation and impairments					The land held by Shelter Them
At beginning of the year	-	-	4,977	-	4,977
Disposals	-	-	-	-	-
Depreciation	-	1,079	3,513	-	4,592
Impairment	-	-	-	-	-
Transfers*	-	-	-	-	-
At end of the year	-	1,079	8,490	-	9,569
6.3 Net book value					to Land donated
At beginning of the year	13,704	34,961	12,590	-	61,255
At the end of the year	13,704	73,788	9,077	-	96,569

The land held by Shelter Them – Rwanda relates to Land donated by the government to the charity in 2016 for charitable purposes. The land has been classified as a permanent endowment and can only be used for charitable purposes. The value of the land is the estimated value calculated based in the market value of land in the same area at the time the land was donated to the charity.

The largest change in the fixed assets were the completion of the construction projects, which added 39.9 million RWF to our fixed assets in 2020.

Note 7 Cash at bank and in hand

	2020	2019	2018
	RWF 000	RWF 000	RWF 000
Short term cash investments (less than 3 months maturity date)	-	-	-
Short term deposits	-	-	-
Cash at bank and on hand	27,617	15,833	13,192
Other	-	-	-
Total	27,617	15,833	13,192

Note 8 Analysis of Creditors due in One Year

	2020	2019	2018
	RWF000	RWF000	RWF000
Accruals and deferred income	-	-	-
Other Creditors	-	1,052	404
Total	-	1,052	404

Note 9

Charity Funds

9.1 Details of material funds held and movements during the CURRENT reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Capital Additions	Depreciation/ Other	Fund balances carried forward
	RWF 000	RWF 000	RWF 000	RWF 000	RWF 000	RWF 000	RWF 000
General Fund	10,138	135,131	(119,327)	(239)		(874)	24,829
Bugesera Land	13,704			0	0	0	13,704
Sewing	4,644		(4,883)	239			(0)
ECD	0						0
Buildings	34,961				1,851	(920)	35,892
Housing	0				38,954	(159)	38,796
Vehicles	12,590	0		0	0	(3,513)	9,077
Total Funds	76,037	135,131	(124,210)	0	40,806	(5,466)	122,297

9.2 Details of material funds held and movements during the PRIOR reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Other	Fund balances carried forward
	RWF 000	RWF 000	RWF 000	RWF 000	RWF 000	RWF 000
General Fund	6,828	135,036	(132,034)		308	10,138
Bugesera Land	13,704			-	-	13,704
Sewing		4,644				4,644
ECD	5,960			(5,960)	-	0
Buildings		29,001		5,960		34,961
Vehicles	16,103	0	(3,513)	-	-	12,590
Total Funds	42,595	168,681	(135,548)	-	308	76,037

VII. Priority interventions for 2021



1. *Family Support*

- ✓ Most of our parents need guidance in proper parenting skills, and so there will be regular training sessions in such topics as proper nutrition, hygiene, effective discipline techniques, together with mentorship by staff and by leaders in the Gateko community.
- ✓ Staff will work with community leaders to develop skills, values and effective work habits that will enable our beneficiaries to achieve independence.
- ✓ Parents will be offered job opportunities, for example with the farming cooperative in Gateko, or the sewing cooperative, so they can see for themselves an avenue to independence.
- ✓ Throughout this process, families will continue to receive support with food, shelter, education, and medical care as the parents' transition to self-reliance.

2. *Education*

- ✓ Children will attend school with the other children in the community. Pre-school age children will attend our Early Childhood Development Centre, which is open not only to Shelter Them children but to as many as 100 children from Gateko and surrounding villages. Primary and secondary age children will attend local schools. In this way, our children will not only learn, but will become integrated socially into the Gateko community.

- ✓ Because of their past experiences, many of our children are behind academically. To address this problem, Shelter Them will supplement their teachers' income to tutor our children after school and raise them to the standards of their peers. We must give Shelter Them children equal opportunity to succeed, in school and in their future.
- ✓ To be successful in school, students need to be well fed and healthy, and so staff will monitor families closely to see that those standards are met.
- ✓ Working together with school authorities, Shelter Them staff will conduct quarterly evaluations of our students' progress, and institute any changes that are necessary to give each child every opportunity to succeed.
- ✓ Shelter Them will provide holiday camps that address children's physical fitness, but also reinforce their educational needs year-round.

3. Community Support

- ✓ Our families will have more opportunities for success if the Gateko community has success, so our plan includes community support.
- ✓ We will offer training to members of the farming and sewing cooperatives that Shelter Them helped to establish in such areas as bookkeeping, marketing, entrepreneurship, best practices, and budgeting.
- ✓ We will assist the farming cooperative in purchasing land for farming and in building a storage facility to dry and store their crops.
- ✓ We will help the sewing cooperative to improve their skills through regular training and will help to rent a workshop so they can expand their membership and product line.
- ✓ Shelter Them will liaise with the Rwanda Cooperative Agency and with local authorities to achieve these community goals.

4. Sponsorship

- ✓ The relationship between our sponsored children and their sponsors in Canada and elsewhere has been invaluable for the personal and social and spiritual wellbeing of our children, and so we plan to expand the program and improve communication between our children and their sponsors.
- ✓ There are currently **98 sponsored children: 27 in Kigali and 71 in Gateko. There are 213 sponsors, 75 for children still in Kigali and 138 for children in Gateko. The need for sponsors continues, and so Shelter Them will continue to reach out for more sponsors. There is no foreseeable end to our need for sponsors.**
- ✓ The most important link between child and sponsor is letter writing, an activity which is not common in Rwandan culture. We will address this difficulty by establishing group sessions with our children, to reinforce the importance of writing and to help them with topics to write about.
- ✓ Shelter Them will liaise with other NGOs such as Compassion and New Life Ministries to improve on our best practices.

- ✓ We will seek to purchase a good camera and colour printer to improve the quality of photos we send to our sponsors.
- ✓ We will improve our record keeping and reporting on sponsorship to ensure that every sponsor receives letters and/or photos at least twice per year.

As you can see, this an ambitious goal which we have set for ourselves. However, we have a detailed plan in place, and we have the personnel with the skills and commitment to achieve our goal and we will continue to develop partnerships with Government and Non-Government agencies to learn how to best leverage our resources for the benefit of our beneficiaries. Together with the continuing generosity and compassion of our supporters, we have all the tools we need to succeed in achieving for all our beneficiaries an independent and sustainable future.

Signed by Chairperson of the Executive Committee on behalf of all the members

Signature

Jules Higi

Print Name

Jules Higi

Date of approval in General Assembly

