



American Friends of Cecily's Fund inc

Educating Zambian Children Orphaned by AIDS

Annual Report for the year to 31 December 2008

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Reference and Administrative Details

Directors

President : the Hon. Wyche Fowler, Jr.
Secretary: Philippa Eastwood
Treasurer : Jessica Boyd

Directors : H. Clay Black
Basil Eastwood
Gregory Eckersley
Christina Hunt
Jessica Moulton
Susan Skaf

Development Officer Susan Skaf

Office Address

120 Boston Post Road, Rye, NY 10580
america@cecilyfund.org

Incorporation

22 November 2005 in the State of Delaware.

Registration as 501(c)3

24 January 2006.

Employer/Taxpayer Identification Number

86-1151401.

Bankers

Citibank, 1000 Connecticut Ave, NW, Washington DC 20006,
HSBC Bank USA, 1130 Connecticut Avenue, NW, Washington DC 20036

Advisers

Chapel and York, PMB 293, 601 Pennsylvania Avenue NW, Suite 900 South Building, Washington DC 20004

American Friends of Cecily's Fund inc

DIRECTORS' ANNUAL REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2008. The financial statements comply with the applicable law.

Structure, governance and management

The Corporation's operations are conducted mainly by email correspondence between the directors. Formal decisions are taken either by physical meetings or through the Unanimous Written Consent procedure. Fundraising activities are coordinated by the Development Officer from the Rye office address.

The Corporation's formal records and accounts are maintained by Chapel and York, its advisors.

Directors hold at least one physical meeting a year to approve the Report and Accounts and discuss plans for the forthcoming year.

During the period under review we sadly accepted the resignations from the Board of Marjorie Crockett, Michael Rothschild and Lynn Greenberg. Susan Skaf, Jessica Moulton, Greg Eckersley and Christina Hunt and Basil Eastwood have been elected to replace them and further strengthen the Board. (see notes on our directors at the end of this report). Susan Skaf has also been appointed our Development Officer.

There are no salaried staff but for administrative purposes the Development Officer (who is also a director) is paid \$1,000 per annum for her expenses and the use of her home as an office.

Day-to-day accounts and records are maintained on behalf of the Corporation by Cecily's Fund (UK) at its office at Unit C5, New Yatt Business Centre, WITNEY, Oxfordshire, OX29 6TJ, UK.

Cecily's Fund is a small and efficient British not-for-profit founded in 1998, which shares our vision and mission together with our detailed aims and standards of governance. It supports directly the education of more orphans and vulnerable children in Zambia than any other outside agency. In practice we have decided for the time being to work exclusively through Cecily's Fund since it has a strong monitoring and evaluation framework, established partnerships with non-governmental organizations in Zambia which run programs in line with our vision and mission, and a small but efficient office in the UK. Cecily's Fund uses our money exclusively for program expenditure (ie expenditure to further charitable objectives as defined by the Charity Commission for England and Wales) and not for its governance and fundraising costs. Its accounts are subject to full professional audit and are available within ten weeks of the end of its financial year.

Cecily's Fund restricts funds received from American Friends of Cecily's Fund to the purpose(s) specified by the Corporation's directors when making the grants. (For some of the funds the decisions are in effect taken by those who donated the money to the Corporation if they specify which programs they wish their donation to support). (Early in 2009 the Directors specified that the bulk of a grant to Cecily's Fund of \$29,000 should be used to support the Teacher Training program in 2009 and they look forward to reporting on this programme in more detail in next year's Annual Report).

Philippa Eastwood, our Secretary (who is also a trustee of Cecily's Fund (UK)), accompanied Cecily's Fund's Manager on a monitoring visit to Zambia in May 2008. Jessica Moulton and Basil Eastwood, two of our directors, visited the programs in Zambia in July 2008. A comprehensive report was submitted to Directors afterwards, and various improvements which they suggested have since been taken forward. Each year Cecily's Fund's Manager makes at least two monitoring visits to Zambia and Cecily's Fund's trustees at least one. The outcomes of these visits feed into Cecily's Fund's reporting to the Corporation's Directors on grant implementation.

Currently, Cecily's Fund works with three non-governmental partners in Zambia to achieve our shared mission and vision. It signs and annually reviews memoranda of understanding with each of them. The partners are the Copperbelt Health Education Project (CHEP) in Kitwe, the capital of Zambia's Copperbelt, Bwafwano (an integrated health- and orphan-care project outside Lusaka), and Hodi (which has its head office in Lusaka but maintains an office in Kitwe to run the school and teacher training programs there).

As a condition for transfers to fund these programs Cecily's Fund insists that the partners are subject to full professional audit and that the audited full-entity accounts are submitted within six months of the end of the partner's financial year. These accounts are available to the Corporation on request.

The **Vision** we share with Cecily's Fund is of a Zambia where children orphaned or made vulnerable as a result of HIV can go to school and, through education, are empowered to develop to their full potential and become self-respecting, independent adults who can escape the cycle of poverty and vulnerability and contribute to Zambia's economic, political and social development.

The **Mission** we share is to ensure that Zambian children orphaned or made vulnerable as a result of HIV can go to elementary and secondary school, have post-school opportunities and receive health information to reduce their vulnerability.

In order to realize our shared vision and achieve our shared mission we support Cecily's Fund:

- *To design and implement programs to ensure that children in Zambia who have been orphaned or made vulnerable as a result of HIV are able to attend elementary and secondary school on a basis of full equality with their peers and achieve their full academic potential.*
- *To assist these children upon completion of their school education to contribute to Zambia's economic and social development by:*
 - o *Supporting a growing number of them to train as teachers;*
 - o *Training and supporting a growing number to volunteer as peer health educators in schools;*
 - o *Developing links with public and private sector entities, and other non-profit organizations to increase opportunities for orphan school-leavers to obtain vocational training and/or jobs.*
- *To continue to maintain & improve the quality of programs and their relevance through collaboration and the sharing and dissemination of best practices with other entities in Zambia.*
- *To lobby key stakeholders, both government and private sector entities, to ensure that they recognize and fulfill their responsibilities with respect to these children, particularly in education.*
- *To continue to build the capacity of our Zambian partners to manage programs effectively, raise funds, and develop robust, open and transparent accountability mechanisms.*

Our Achievements in 2008 and Targets for 2009

In 2008 we raised just over \$17,500. This was less than in 2007 (\$134,000) but we did not have the impetus from our 2006 launch celebrations and the 2007 donation of \$100,000 from the Coca-Cola Foundation. This shortfall was not unexpected. Our conscious focus was to strengthen our Board with new Directors and to lay the foundations for future growth.

Late in 2007 we awarded a grant of \$120,000 to CF (UK). \$100,000 of this was restricted to primary and secondary education (as per our grant agreement with the Coca-Cola Foundation). The remaining \$20,000 supported Cecily's Fund's general program costs. In 2008, with our support, Cecily's Fund:

- enabled 5238 orphaned and vulnerable children (OVCs) to go to grade school and 3110 to secondary school, giving them a ladder to climb out of poverty
- trained 50 of the same young people who recently completed secondary school as peer health educators and supported them to teach life skills and HIV-prevention to 6542 children in 25 schools
- supported 21 OVCs in their studies at teacher training college

In 2009 we aim to raise \$65,000 in support of Cecily's Fund's programs. These are planned to -

- enable 5990 OVCs to go to elementary school and 2671 to secondary
- train and support 50 young people to volunteer as peer health educators in 25 schools
- and support 31 young people to train as teachers

What we do and why we do it

Zambia is one of the poorest countries in the world (163rd out of 179) and one of the worst hit by AIDS. It has 1.1 million children who have lost one or both parents, usually as a result of AIDS, out of a total population of 11.9 million. The Zambian state does not have the means to provide support for all of these children.

They are mostly not HIV-positive themselves but they are the forgotten victims of HIV. They have all had traumatic childhoods, punctuated by death and family crisis. They have basic needs for human affection, reasonable clothing, food, and, perhaps above all, self-respect. Education responds to that need but children whose parents have died or are dying often stop going to school in order to support their families or simply for lack of money. We concentrate on enabling these orphans to go to school.

We do this because we and they know that their future depends on education. Education gives them a ladder to climb out of the destitution to which they are otherwise condemned. As well as reading and writing etc., they learn social skills and develop a sense of their own worth – in itself an important protection against HIV. A child without grade school education is said to be three times more likely to contract HIV.

Education saves lives

All of the children we support through Cecily's Fund have been individually identified by teachers and community members, and help is provided according to need. A child may need a uniform, shoes, food, or the cost of school fees. All need books and pens.

Cecily's Fund's support does not stop when a child leaves school. Some young orphans are supported further in teacher training colleges. Others are trained as peer health educators and supported to go back into the schools to raise awareness about the risk of HIV infection and encourage young people to make informed decisions. These young people are not just part of the AIDS problem. They are part of the solution.

The Pandemic in Zambia

In Zambia the situation created by the HIV pandemic remains desperate. An estimated 17% of all Zambians between the ages of 17 and 49 are HIV positive. This is one of the highest rates in world. In the urbanized areas (where our programs are located) the rates are probably almost twice this national average. It is mainly the parents who die, and out of a total population of 11.9 million there are estimated to be 1.1 million children who have lost one or both parents.

The President's Emergency Program for AIDS Relief estimates that 27% of those needing Anti-Retroviral Therapy (ART) in Zambia are now receiving it. The number of those dying is decreasing. ART will enable those infected to live with the disease and to continue to support their families, but ART is neither a cure for the disease nor a solution to the massive problem of the orphans who are left behind when the parents die.

Our Programs

In 2008, we helped Cecily's Fund to support 650 children in grades 1 to 4 (first four years of elementary school) plus 92 in a pre-school class by funding the community school run by Bwafwano, a local non-governmental organization (NGO) in a squatter area outside the capital Lusaka. Cecily's Fund's financial support to Bwafwano included teachers' salaries and lunch for children at the community school. It also allowed a further 447 children to continue their education in government schools.

We also helped Cecily's Fund to support 4168 OVCs to attend elementary school, 3083 to attend secondary school and 21 trainees to continue their studies at teacher training college by paying fees and providing materials. These programmes are all run by Cecily's Fund's partner, Hodi, in Kitwe, the main city in Zambia's Copperbelt.

We also contributed to Cecily's Fund's funding of the Copperbelt Health Education Project in Kitwe to train 50 young people as peer health educators in January 2008 and to teach life skills and HIV awareness to their peers in schools throughout the year. These were young people whom we had supported through the end of secondary school.

In the US

The main focus of our fundraising activities has been the group of supporters in New York led by Sue Skaf.

They organized our participation in the Lord and Taylor shopping event in Westchester in December. This raised \$1,591.

They also organized our participation in the GreaterGood.org online fundraising site which is beginning to bear fruit (\$3970 income in 2008). We are also now listed on the firstgiving.com website.

After Jessica Moulton's visit to Zambia in July her enthusiastic endorsement of our programs led her employer, McKinsey & Co. in New York to match a donation of \$4000 through its McKinseys United Way scheme. Since then, her colleagues have given further generous support which will feature in our accounts for 2009.

A visit to the US in late 2008 by our patron Lord Carey (the former Archbishop of Canterbury) led to a donation of \$750 by St Thomas Episcopal Church.

Our directors in New York raised magnificent prizes for the Silent Auction held during the dinner cruise on the Mississippi organized by the international company Associated British Food Ingredients (ABFI) in New Orleans. ABFI is an ongoing supporter and partner of Cecily's Fund and raises money by encouraging the employees of its associated companies around the world to raise funds for Cecily's Fund which it then remits direct to Cecily's Fund. As a result the \$8,444 raised by the Mississippi cruise does not appear in the attached accounts.

Similarly the Mattel Foundation donated a most generous \$25,000 direct to Cecily's Fund.

Looking Ahead

For the foreseeable future neither the cumulative total of orphans and vulnerable children nor the need for our carefully targeted support are likely to decrease. Indeed the need is likely to increase. Zambia has been hit extremely hard by the global economic recession, and, on a happier note, an increasing number of our students are progressing to higher and more expensive levels of education. Cecily's Fund intends to gradually increase its support for existing programs. Bwafwano's community school is full to capacity, but the total number of children in government schools will increase to 511 in 2009. Similarly the total number of children supported in government schools in Kitwe will go up from 7251 to about 7500. The peer health education scheme will continue on the existing scale, but the number of teacher trainees will increase from 21 to 31, 5 of whom hope to start out on a 4-year degree course.

American Friends of Cecily's Fund is still very small and constrained by lack of particularly human resources but it now has a firm organizational basis. With the track record of the launch donations from the Coca Cola and Turner Foundations it can move ahead in the coming year and attract more support from individuals and foundations who appreciate the importance of what we are doing. For we offer a really direct and effective way to meet the increasing need of some of the poorest people in one of the poorest countries of the world.

Report approved by the Board of Directors of American Friends of Cecily's Fund on 23 April 2009

A handwritten signature in black ink, appearing to be 'W. Fowler Jr.', written in a cursive style.

The Hon Wyche Fowler Jnr
(President)

Who we are

President of the American Friends of Cecily's Fund is the Hon. Wyche Fowler, Jr. Wyche served as US Ambassador to Saudi Arabia (1996-2001), Senator for Georgia (1986-1993) (member of the Senate Appropriations, Budget, Energy and Agriculture Committees), and member of House of Representatives for Atlanta (1977-86). He also served as President of the Atlanta City Council. He is currently President of the Middle East Institute, Visiting Professor at Harvard University's Kennedy School of International Affairs, and board member of the Carter Center. He visited our programs in Zambia in 2005.

Secretary is Philippa Eastwood. Philippa is the younger sister of Cecily in whose memory Cecily's Fund was established. She is an attorney in a leading London office specializing in criminal defense. She has visited our programs on many occasions, including in May of this reporting period.

Treasurer is Jessica Boyd. Jess was a close friend and contemporary of Cecily. She graduated from Cambridge (UK), wrote her doctoral thesis at Princeton, and is now an attorney in a leading London office. She has visited our programs on several occasions and has made two successful films about them.

H. Clay Black, Director. Clay is a retired US Foreign Service officer. He and his wife live in Washington, DC where he continues to work part-time for the U.S. Department of State.

Basil Eastwood, Director. Cecily's father. Basil was British Ambassador to Switzerland and Liechtenstein and, before that, Syria. He retired from the British diplomatic service in 2004. He was Founder Chairman of Cecily's Fund (UK) for ten years and is now Chair of its International Advisory Panel.

Gregory Eckersley, Director. Greg was born in Zambia. He received his BA and MA at Oxford (UK) where he was a Rhodes Scholar. He has worked for 18 years in asset management in the UK, South Africa and, currently, New York. He is a Senior Vice President with Alliance Bernstein.

Christina Hunt, Director. Christina is an Attorney (Bar, State of Texas) having taken her LLM at the University of Houston. She specializes in international taxation and now lives in New York City with her husband, who is a partner with Bracewell & Giuliani.

Jessica Moulton, Director. Jessica was educated at Duke and Harvard, where she received her MBA. She is a Management Consultant with McKinsey & Co. She and her husband are avid supporters of children's charities and have traveled extensively in Africa. In July 2008 they visited Zambia where they experienced the work of our programs first hand as well as meeting with our Zambian partners.

Sue Skaf, Director & Development Officer. Sue was born in the UK where she was educated to graduate level in French, Spanish and German. She has lived in New York for 20 years, where she runs a recruitment firm, with a specialty in bilingual staffing for European companies. She is also Chairperson of a PTA committee in her Westchester school district providing support for non-English speaking families.