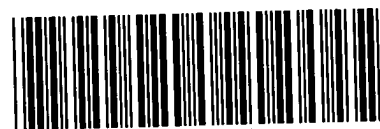


The Andrew Lees Trust

Accounts

for the Year Ended 30 September 2019

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The Andrew Lees Trust

General Information for the Year Ended 30 September 2019

Status

The Company is a registered charity and was incorporated on 26/01/1993 as a private company limited by guarantee

Directors/Trustees		Appointed	Resigned
	Michael Childs	14/05/17	
	Anthony Long	10/12/14	
	Christine Orenge	19/08/98	
	Mary Taylor	14/08/01	

Company Secretary	John Parker	19/08/98
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Registered Office	37 Rushey Green Catford London SE6 4AS
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Company Number	03618189
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Charity Number	1075592
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Accountants	Natural Numbers Limited 14 Cavalier Court Bumpers Way Chippenham Wiltshire SN14 6LH
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Bankers	The Co-Operative Bank
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The Andrew Lees Trust

Report of the Management Committee for the Year Ended 30 September 2019

The Trustees/Directors being members of the Management Committee present the financial statement for the year ending 30/09/18

The Vision

Transformational change is co-created by local people, for local people, towards a sustainable future.

Objectives

1) To develop the capacity and skill of socially and economically disadvantaged communities in Madagascar, and in other disadvantaged regions of the world, so they are better able to identify and meet their needs, and participate in their social, economic and environmental development in ways that improve their wellbeing and which promotes sustainable development by meeting the needs of the present without compromising the ability of future generations to meet their own needs

2) To advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment of Madagascar, and other disadvantaged regions of the world, and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

Investment Policy

Apart from retaining a prudent amount for reserves each year, the charity's funds are spent in the short term so there are few funds for long term investment.

Risk Management

The Directors have reviewed the risks to which the charity is exposed. All major insurable risks are subject to normal charity and employer's insurance. Contractual risks are reviewed before being entered into to assess that they could not significantly impact upon the charity's ability to fulfil its objectives.

Plans for future periods

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

The Andrew Lees Trust

Report of the Management Committee for the Year Ended 30 September 2019 (continued)

Statement of trustees responsibilities

Charity law requires us a trustees to prepare financial statements for each accounting year which give a true and fair view of the state of the company and of it's profit and loss for the year. We are required to:

Select suitable accounting policies and then apply them consistently;

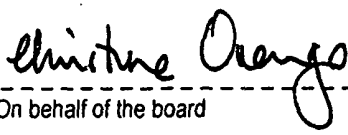
Make judgements and estimates that are reasonable and prudent;

State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;

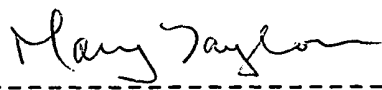
Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 2006

We also have the responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities


On behalf of the board
Christine Orengo

dated

 3/3/20
On behalf of the board
Mary Taylor

dated

Accountants Report for the Year Ended 30 September 2019

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 30th September 2019 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 2006 and Charity Commission guidelines.



Natural Numbers Limited

The Andrew Lees Trust

Account of Income & Expenditure for the Year Ended 30 September 2019

	Year to 30/09/19	Year to 30/09/18
Income		
Grants	25,323	0
Donations & Other Income	9,996	2,867
Total Income	35,319	2,867
Expenditure		
Generating Funds	230	246
Local Empowerment	33,171	13,271
Governance	989	1,021
	34,390	14,538
Excess Income or (Expenditure)	929	(11,671)
Less Depreciation	0	0
EXCESS INCOME / (EXPENDITURE) FOR YEAR	929	(11,671)

The Andrew Lees Trust

Account of Income & Expenditure for the Year Ended 30 September 2019

	Allocated	General	2019 Total	2018 Total
Incoming Resources				
Grants	15,323		15,323	0
Donations	10,000	9,997	19,997	2,866
Other Income			0	0
Total	25,323	9,997	35,320	2,866
Resources Expended				
Generating Funds		230	230	246
Local Empowerment	31,558	1,613	33,171	13,271
Governance		989	989	1,021
Total	31,558	2,832	34,390	14,538
NET RESOURCES				
Incoming/(Outgoing)	(6,235)	7,165	930	11,672
Equipment				
Property				
NET IN/(DE)CREASE	(6,235)	7,165	930	11,672
Funds B/fwd	5,505	34	5,471	17,143
Transfer				
FUNDS at 30/09/19	<u>(730)</u>	<u>7,131</u>	<u>6,401</u>	<u>5,471</u>

The Andrew Lees Trust

Balance Sheet for the Year Ended 30 September 2019

	Year to 30/09/19	Year to 30/09/18
Fixed Assets <small>- Note 4</small>		
Tangible Assets	0	0
	0	0
Current Assets <small>Note 5</small>		
Debtors, Stock & Prepayments	0	0
Cash at Bank and In hand	6,752	6,373
	6,752	6,373
Current Liabilities <small>Note 6</small>		
Amounts falling due within one year	350	902
Net Current Assets	6,402	5,471
TOTAL ASSETS LESS CURRENT LIABILITIES	6,402	5,471
LONG TERM LIABILITIES	0	0
TOTAL ASSETS LESS TOTAL LIABILITIES	6,402	5,471
FINANCED BY - FUNDS (Note 7)		
General	6,401	5,471
	6,401	5,471

Directors Statement

For the year ending 30/09/19 the company was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

Christine Orengo

On behalf of the board

Christine Orengo

dated

Mary Taylor

On behalf of the board

Mary Taylor

3/3/20

dated

The Andrew Lees Trust

Notes to the Accounts for the Year Ended 30 September 2019

1. ACCOUNTING POLICIES

Accounting Convention

The accounts have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Cash Flow Statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Tangible Fixed Assets

Depreciation is provided at the annual rates of 25% in order to write off each asset over its estimated useful life. Certain fixed assets purchased with restricted funds have been written down in the year.

2. INCOME and EXPENDITURE

Income represents receipts from benefactors and fund raising of The Project.

Expenditure includes VAT where incurred. Charities benefit from rates relief and exemption from Corporation Tax

3. NET INCOME and EXPENDITURE

The net income/expenditure is stated after charging:-

	Year to 30/09/19	Year to 30/09/18
Management committee members' Travel	0	0
Accountants Remuneration: Financial Accounts	0	0
Depreciation	0	0

Notes to the Accounts for the Year Ended 30 September 2019

4. Tangible Fixed Assets

	£	£	£	£
	Brought Forward	Additions (Disposals)	Depreciation	Carried Forward
Equipment	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

5. CURRENT ASSETS

	Year to 30/09/19	Year to 30/09/18
DEBTORS		
Amounts falling due within one year		
Debtors	0	0
Prepayments & Accrued Income	<u>0</u>	<u>0</u>
	0	0
CASH AT BANK and IN HAND		
Cash at Bank - Current	6,752	6,373
Cash and Cheques in Hand	<u>0</u>	<u>0</u>
	6,752	6,373

6. CREDITORS

	Year to 30/09/19	Year to 30/09/18
Amounts falling due within one year		
Creditors	0	0
Accrued Expense	<u>350</u>	<u>902</u>
	350	902

Notes to the Accounts for the Year Ended 30 September 2019

7. FUNDS

General - Unrestricted

Balance at 01/10	(34)	92
Income	9,997	2,866
Generating Funds	(230)	(246)
Local Empowerment - ALT MG	(1,613)	(1,725)
Governance	(989)	(1,021)
Balance at 30/09	7,131	(34)

Unrestricted Funds allocated to Projects

Oak Foundation

Balance at 01/10	0	0
Income	15,300	0
Expenditure	(15,539)	0
Balance at 30/09	(239)	0

Community & CSO Support together with Advocacy

Balance at 01/10	5,505	17,051
Income	0	0
Expenditure	(6,519)	(11,546)
Balance at 30/09	(1,014)	5,505

ALT Phase 4 CERCLE

Balance at 01/10	0	0
Income	10,000	0
Expenditure	(9,500)	0
Balance at 30/09	500	0

London Mining Network

Balance at 01/10	0	0
Income	23	0
Expenditure	0	0
Balance at 30/09	23	0

Total Designated	(730)	5,505
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The Andrew Lees Trust

Analysis of Income & Expenditure for the Year Ended 30 September 2019

	Year to 30/09/19	Year to 30/09/18
Income		
Oak Foundation	15,300	0
Aldama Phase 4	10,000	0
London Mining Network	23	0
Grant Income	<u>25,323</u>	<u>0</u>
Voluntary Donations	8,535	2,456
GiftAid	1,461	411
Other Donations	<u>0</u>	<u>0</u>
Donations	<u>9,996</u>	<u>2,867</u>
Total Income	<u>35,319</u>	<u>2,867</u>
Expenditure - including value added tax		
Aldama - CERCLE	8,000	0
Community & CSO Support with Advocacy	0	8,140
Project Management	2,600	3,406
Research & Advocacy	19,032	0
Travel	931	487
Insurance	291	291
Telephone	1,518	1,298
Equipment	884	0
Postage	3	31
Stationery and Equipment	233	355
Professional fees	528	528
Bank Charges	146	(118)
Website Costs	<u>225</u>	<u>120</u>
Administrative Expenditure	<u>34,391</u>	<u>14,538</u>
Excess Income or (Expenditure)	<u>928</u>	<u>(11,671)</u>
Less Depreciation	<u>0</u>	<u>0</u>
EXCESS INCOME / (EXPENDITURE) FOR YEAR	<u><u>928</u></u>	<u><u>(11,671)</u></u>

Report of the Trustees

The Andrew Lees Trust

Legal & administrative details

For the year ended 30 September 2019

Status

The organisation is a charitable company limited by guarantee, incorporated on 19 August 1998 and registered as a charity on 20 May 1999

Company number

03618189

Charity number

1075592

Governing document

Memorandum and Articles of Association

Registered office

37 Rushey Green
Catford
London
SE6 4AS

Operational address

204 Brecknock Road
London
N19 5BG

Trustees

Prof. C A Orengo
Ms M E Taylor
Mr A Long
Mr Mike Childs

GOVERNANCE

Report of the Trustees

Director	Ms Yvonne Orengo
Company Secretary	Mr J B Parker
Bankers	The Co-operative Bank plc PO Box 250 Delf House, Southway Skelmersdale Lancs WN8 6WT
Solicitors	Parker Arrenberg Dawson & Cobb 77/79 Rushey Green Catford London SE6 4AF

The Andrew Lees Trust

Report of the Trustees

For the year ended 30 September 2019. Herewith the Trustees present their report and the audited financial statements for the year ended 30 September 2019

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Andrew Lees Trust (ALT UK) is a company limited by guarantee and governed by its Memorandum of Association (as amended in March 1999 and again, recently in June 2016) and Articles of Association (July 1998). It is also a charity registered with the Charity Commission since May 1999.

Recruitment and appointment of new Trustees

As set out in the Articles of Association trustees shall not be less than three or more than five unless increased by Special Resolution of the company in a General Meeting.

The first trustees are not subject to a fixed term of office and shall not be required to retire. Further trustees may be appointed in addition to the first trustees or to fill a casual vacancy and shall be subject to rotational retirement. One third of these trustees must retire at each annual general meeting but may offer themselves for reappointment.

The trustees will prepare a notice giving the particulars of the person recommended for appointment or reappointment; this notice would be required to be included in the company's register of trustees.

The trustees may appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee provided that the appointment does not cause the number of trustees to exceed any number fixed by or in accordance with the Articles as a maximum number of trustees.

Prospective trustees are briefed on their future duties and liabilities, the legal and ethical framework within which the Trust operates, including the expectations of the Charity Commission and the standards and principles of the Trust, and the nature of the Trust's projects and vision.

The company may by ordinary resolution appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee and may also determine the rotation in which any additional Trustees are to retire.

Subject to the provisions of the Companies House Act 1985 and to Clause 5 of the Memorandum, the Trustees may appoint one or more of their number to the unremunerated office of managing director or to any other unremunerated executive office under the company. Any such appointment may be made upon such terms as the Trustees determine.

Induction and training of Trustees

An orientation/induction period is provided to Trustees in order for them to familiarise themselves with the charity and the context in which it operates. Trustees are again briefed on their legal and ethical responsibilities as well as personal liability for the financial affairs of the Trust (under Company and Charity law). Additionally, the Trustees are briefed on:

- the operational framework of the charity (Memorandum and Articles of Association);
- the current financial situation of the charity (as published in latest accounts, auditors' report and reports to principle stakeholders);
- an explanation of the decision-making processes;
- the human and material resources available to the Trust (including a personnel diagram);
- ongoing projects and personnel (including the latest annual report);
- the strategic long term plans for the charity.

Organisational structure

The charity is currently administered by a Board of four Trustees. The Trustees (who are also directors of the Andrew Lees Trust for the purposes of Company Law) come from different professional disciplines, including extensive experience of the global environmental movement and science backgrounds, but all have some tie to Madagascar and/or to the ethos of the Andrew Lees Trust (ALT). All four of the current Trustees knew Andrew Lees and his work.

The Trustees assure the executive management and oversight of the Trust's work through management meetings in the UK.

The Trust has operated on a virtual basis over the last nine years, and the programmatic scope has been reduced as ALT UK's role has evolved to focus on and support local actions and civil society on the ground. Consequently liability of the Trust and its Trustees has been significantly reduced, and the number of meetings now reflect that situation: meetings are currently twice per year attended by the Trustees and the Director. Additional meetings are scheduled and conducted virtually, as and when deemed necessary.

The Director manages all administrative matters of the Trust from her home office and continues to supply regular updates to Trustees outside of the bi-annual Trustee meetings. There are currently no salaried staff employed by the Trust. The Trust's work is undertaken partly on a voluntary basis and partly on a consultancy contract basis, thereby reducing running costs in the UK to the absolute minimum and maximising resources to benefit Madagascar communities and local partners.

All major strategic and policy decisions concerning the charity are taken by the Board of Trustees.

Delegation of Responsibility

Yvonne Orengo, MBE, is the Director of ALT UK, appointed by the Trustees in January 2006 after seven years as Country Director in Madagascar. Ms Orengo continues to oversee the day-to-day operations of the charity and acts as Technical Advisor to Andry Lalana Tohana (ALT Mg) in Madagascar; she also advances the Trust's current research and advocacy work, and provides oversight and management support to any projects ALT UK delivers in partnership with Andry Lalana Tohana (ALT Mg) or other local partners/agencies.

The Director ensures the charity delivers the services specified and that performance indicators approved by funders are met. Ms Orengo works for the Trust partly on a voluntary basis and partly on a consultancy contract basis (subject to grants/financial resourcing).

In the current reporting year funds were secured and allocated to support contract time for the Director to undertake specific tasks and programmes of work, including research and advocacy; international networking; fundraising and reporting assistance for Andry Lalana Tohana (ALT Mg); and the administrative, management and communications functions of the charity.

Report of the Trustees

ALT UK has reduced its financial and other liabilities in southern Madagascar. The ALT UK office in London was closed in October 2010 and the ALT UK archives are now housed at 204 Brecknock Road, London N19 5BG. The overall operations, project management, business phone (for calls to Madagascar) and daily administrative files are managed out of the Director's home office at 26a Newton St Loe, Bath BA2 9BX. Banking and statutory Charity Commission correspondence is managed via this office and the Brecknock Road address.

Related parties and partner organisations

ALT UK believes in creating partnerships at local and national level and shares project methodologies and lessons learnt to maximise synergy of development and benefits to target populations in the region.

In 2010 ALT UK completed its strategic vision of handing over its assets and know-how to its local partners and to its Malagasy colleagues, and helped them to set up a local Malagasy NGO, Andry Lalana Tohana (ALT Mg). Since 2009 ALT Mg has been running a development programme in southern Madagascar under its own auspices. ALT Mg maintains its own local partnerships in the south of the island with key NGOs, service providers, local authorities as well as national agencies and Ministries. It has its own Board of Directors and is fully independent of ALT UK. ALT UK and ALT MG established a partnership agreement in 2010 and, as a result, ALT MG has informed and is a recipient of ALT UK's current strategic agenda to support local civil society and ALT UK provides supports under a partnership agreement.

In the reporting year, ALT UK became a full member of the London Mining Network(LMN) and of Publish What You Pay (PWYP). The Trust also continued to benefit from its close relationship with Friends of the Earth (FoE) including use of meeting rooms at the FoE London offices and collaboration with specific activities including co-authoring a report on Biodiversity Offsetting and a joint advocacy meeting with Rio Tinto – **see below**.

The Trust's Director, Yvonne Orengo, is the sister of Prof. Christine Orengo, a Trustee of the Charity.

Risk Statement

The major risks to which the trust is exposed, as identified by the Trustees, have been reviewed and systems established to mitigate those risks. Because ALT UK has completed its direct programme implementation and strategic vision in Madagascar, risks have been greatly reduced. Liabilities in the field are now zero as there are no salaried staff, offices or current capital investments under ALT UK auspices.

All project and general bank accounts are closed in Madagascar. UK international banking accounts have also been closed. All vehicles have been transferred into ownership of Andry Lalana Tohana in Madagascar. UK operations are now virtual with support from the Director's home office. Overheads have been reduced to minimal levels and there are no staff or contractor contracts. ALT Mg now has full liability for its own programme in Madagascar.

A key element in the management of financial risks to the organisation has been the setting up of a reserves policy; this policy is reviewed by the Trustees at appropriate intervals.

Current Operational Structure of ALT

ALT UK is 'Virtual' in the UK with administrative functions managed by the Director from her home office (see above). The Trust continues to run a dedicated phone line and internet connection to communicate directly with Madagascar and with its national and international volunteers, advisors and researchers, and maintains a blog page with updates and news of its activities. See www.andrewleeestrust.org/blog

ALT UK provides financial and technical supports to ALT Mg in response to their requests wherever possible. These activities are approved by Trustees and reported on a regular basis electronically and through formal Trustee meetings.

ALT UK engages local, national and international experts and researchers, as required, on a consultancy basis.

ALT UK provides funds, accompaniment, technical support, advice, fundraising and networking assistance to ALT Mg and/or other local partners in response to requests.

Staffing

ALT has no full time staff. This year the Director has worked partly on a voluntary and partly on a consultancy basis (subject to grants/financial resourcing) and she covers all administrative, management and executive functions. Where funding allows, the Director is issued with a consultancy contract. In December, in recognition of the significant increase in workload the Board of Trustees approved a contract to the Director to undertake research and deliver the Trust's advocacy campaign; also to provide the necessary supports to ALT MG and maintain the Trust's administrative and reporting functions for existing activities (**see below**).

Additional research, professional and translation services during the reporting period were contracted to identified national and international experts on a consultancy basis.

ALT Volunteers

The Trust is enormously grateful to the dedication, hard work and vital contribution of the volunteers who have assisted us throughout this year, including:

Alan Hunns
Barry Ferguson
Antonie Lysolm
Niklas Heuser
Rakiya El Matine

The Trust extends profound gratitude to all the technical experts, researchers and pro bono legal advisers who have offered and provided analysis, advice, counsel and other forms of support to the Trust throughout this year.

The Board of Trustees is also grateful to the Director for her continued dedication to the Trust's work and its consistent high quality. The Board wishes to acknowledge her leadership, inspiration and vision and the extraordinary amount of work completed during the year.

Grant making policy

The Trust does not have a grant making policy and has not issued grants to other organisations this year. Financial support directed to Andry Lalana Tohana is regarded as programmatic costs under the Trust's GroundSwell strategy, funded by Aldama Foundation.

OBJECTIVES AND ACTIVITIES

The Trust's new Objects as approved by the Charity Commission in June 2016 are:

(1) To develop the capacity and skills of socially and economically disadvantaged communities in Madagascar, and in other disadvantaged regions of the world, so they are better able to identify and meet their needs, and participate in their social, economic and environmental development in ways that improve their wellbeing and which promotes sustainable development by meeting the needs of the present without compromising the ability of future generations to meet their own needs. (2) To advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment of Madagascar, and other disadvantaged regions of the world, and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

The strategic mission of the Trust

The Trust has also reviewed its strategic mission. ALT UK's strategic programme, 'GroundSwell' was approved in 2015. ALT UK's GroundSwell vision is committed to enhancing life for people and planet based on the principle of '*leave no one behind*'. The process is founded on the belief that long lasting transformation can best be realised through local ownership – growing a strong civil society that is capable to act in the interests of the local community and ensure accountable governance for equitable societies.

Mission: To strengthen civil society in Madagascar and the global south so that change is envisioned, shaped and led by local actors for local agendas, in sustainable, locally appropriate ways.

Public Benefit

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our current and future activities. In particular the board of Trustees consider how planned activities will contribute to the aims and objectives they have set.

The current focus is on strengthening and supporting southern civil society and local ownership of development. ALT UK is supporting the local Malagasy NGO ALT Mg to strengthen its capacity at local level, to respond to local constituents' needs, and to develop its local leadership. ALT Mg focuses on the most poor and marginalised and in particular those who are affected by regular and severe drought, bringing opportunities to relieve famine, improve food security and support family nutrition.

¹ The principle of 'leave no one behind' is enshrined in the UN Sustainable Development Goals (SDGs)

Strengthening the capacity of the Malagasy NGO ALT Mg specifically fulfills the Trust's strategy to develop southern civil society. It supports Malagasy people to directly design and manage local and regional development, to exemplify Malagasy ownership and leadership, and it promotes a sustainable solution for locally driven development in southern Madagascar for the longer term.

In this reporting year the Trust specifically supported ALT MG to meet the cost of launching a new educational centre, the CERCLE ((Centre d'Education, Réinsertion, Communication et Leadership)), which provides opportunities for literacy and numeracy training, as well as life skills development, for the poorest most marginalized children and young people in the Anosy region, southern Madagascar. The educational programme enables vulnerable children to re-enter the state schooling system with the necessary levels of educational knowledge and supports the parents where feasible to maintain their children in schooling.

In response to local concerns around the environmental impacts of the Rio Tinto QMM mine on waterways and related food security in Anosy region, the Trust has also this year continued to undertake research and advocacy.

The research has focused on the impacts of the QMM breach of an environmental buffer zone, and an assessment of the radioactivity levels of the mine; additional studies have aimed to determine the relationship between the mine and elevated levels of uranium and the presence of heavy metals in lakes and waterways where local people fish and collect water. The advocacy aims to promote transparency about the mine's impacts on local communities and to assist communities, local agencies and regulatory bodies to protect natural resources upon which local communities depend, and hold the company to account.

The following sections of this report highlight in more detail the benefits ALT brings to target populations in southern Madagascar.

ALT's Main Activity in the reporting period:

1. Support of ALT MG - Launch of the CERCLE in Anosy region
2. Other Support to ALT MG
3. Research and Advocacy

For full details of the activity see Achievements and Performance below.

ALT ACHIEVEMENTS AND PERFORMANCE 2018-2019

1. Support of ALT MG - Launch of the CERCLE in Anosy region

Under its GroundSwell strategy, ALT UK responds directly to requests for assistance and specific capacity building and capability strengthening demands from the local NGO, ALT MG and other local partners and actors for change.

In 2018, ALT UK received a request from ALT MG to help it launch a new training centre for children and young people in Ft Dauphin, Anosy region, in southern Madagascar.

Report of the Trustees

In Madagascar, almost half of the population is under 18. Approximately 33% of those under are of school age within the Malagasy state education system, starting at the age of six. According to a study done by the World Bank, the level of education in Madagascar remains one of the lowest in the world; the average schooling rate for children aged 6 to 10 fell from 80% to 75% between 2005 and 2010. This rate is still decreasing in the southern part of Madagascar. The dropout rate before secondary school is 50%, especially in rural areas.

In recognition of the importance of education as a key factor in development outcomes, ALT MG decided to launch the CERCLE project "Center for Education, Reintegration, Communication and Exclusive Leadership" which aims to help children and young people who have not had the opportunity to access formal education or other training for various reasons, including:

- High levels of poverty preventing the family from sending their children to school
- Security issues (sexual harassment, violence, intimidation)
- Girls deprived of education by tradition, boys' education is considered more important
- Girls becoming mothers (early pregnancy)

ALT MG submitted a request for co-funding to the Swiss Embassy as part of their small grants programme in Madagascar in December 2018. Pending their final response, and in response to the request of ALT Mg, ALT UK agreed to help launch the CERCLE using Aldama Funds. The project started in February 2019.

The CERCLE was officially launched on 10th April 2019 after two months of preparations including building refurbishment, meetings with local authorities, identification of families and children for enrolment, location of additional local classroom space outside the CERCLE building, equipment purchases, and the training of teachers in literacy and life skills training.

The CERCLE Classes began on the 15th April for 142 identified children who do not attend school and who come from vulnerable families in four of the Fokontany (villages) in Tolagnaro commune. The children were organized into separate classes according to their ability. Each student received the necessary school supplies including notebooks, pens, slates, rulers, and chalk. Blackboards were provided for each classroom.

142 students received four months of schooling in basic literacy, numeracy and life skills to prepare them to re-enter the formal state school system with the necessary capabilities.

Towards the end of August, students went through revision and final tests and the results act as the guideline as to whether the child is then able to return to primary elementary school level 1 (T1) or level 2 (T2) classes in the public school system. During the holidays, the CERCLE students will join the public school for the CREN (National Education Review Course) before testing their achievement level for reintegration into classrooms in public primary schools closest to their homes.

142 CERCLE students will join classes of basic education in September 2019 in local primary schools. The Regional Director of Education had asked primary school principals to prioritize the return of students from the CERCLE classroom because he is convinced of the effectiveness of the methodology used by ALT MG at the CERCLE.

CERCLE is also providing literacy classes to the mothers of children who are attending the CERCLE courses. See more at <http://www.andrewleestrust.org/blog/?p=960>

2. Other Support to ALT MG

During the reporting period, and in response to a direct request from ALT MG, the Trust assisted in the purchase of professional recording devices in the UK to send to ALT MG for use by its team and partners in southern Madagascar as part of its work with UNICEF on nutrition and food security. The request was made because the quality and price of such recorders are significantly better in the UK than Madagascar. The recorders will be used to make radio programmes with communities to address questions and disseminate information via radio broadcasts. Two volunteers took the equipment to Madagascar.

The ALT UK Director continues to liaise regularly with ALT MG Director, Hanitra Raharimanana, and discuss ALT MG's needs and strategy and to assist whenever possible with advice, networking, international communications, international donor liaison, report writing assistance etc.

3. Research and Advocacy

Context

Over 80% of rural people in southern Madagascar are subsistence farmers, dependent on land, forest and other natural resources such as rivers and lakes to survive. Climate change impacts, land grabs and externally driven development are shrinking access to the natural resources that support rural families and the space for untenured subsistence farmers to grow their crops and feed their cattle.

Rural communities in Anosy region, southern Madagascar, are one population experiencing increasing difficulty to survive in the face of impacts from a large mining project that has expropriated lands, displaced people from their traditional livelihoods, and is clearing local forest resources or offsetting them, in ways that have been recorded as deeply deleterious to local village communities and their food security.

In facing the multiple challenges related to this rapid development, ALT UK recognizes the rights of Malagasy citizens to have access to information, which is essential not only to advance their own interests and protect their resources, but also to counter negative impacts of partial or poorly communicated information by the mining company. It is particularly important because the Rio Tinto QMM mine operates in a region where local governance is weak and accountability mechanisms are compromised by vested interests. The integrity of the local judicial system and other institutions is undermined by fears of corruption and the media is self-censoring through fear of reprisals. In the ensuing power asymmetry, ALT UK is conscious of the enormous challenges local people face to have their rights respected.

For this reason, ALT UK takes seriously its role and ability to **act in solidarity** with affected communities from its UK base. ALT UK has been advancing *research and advocacy* around environmental threats to the waterways that support food security for communities in the Mandena area.

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ALT UK has been working in collaboration with local and international researchers and activists, and with campaigning organisations including Friends of the Earth (FoE), Publish what You Pay (PWYP) in UK and Madagascar and the London Mining Network (LMN).

Research

Following reports that the Rio Tinto/QMM mine had illegally breached the limits of an environmental buffer zone, designed to protect local lakes and waterways, ALT UK commenced research in 2017 with international experts and with assistance from local researchers in order to determine the extent of the breach and potential impacts on local environment and natural resources.

ALT UK also opened up dialogue with the mining company's HQ in London following an AGM action in 2017 to raise questions about the buffer breach and demand an accountability process. This dialogue with Rio Tinto continued throughout 2017-2018 and ALT UK published its study of the QMM buffer zone violation (Emerman 2018):

See

http://www.andrewleestrust.org/docs/ALT_UK_Emerman_Report_Buffer_Zone_Eng_2018.pdf

And additional study

http://www.andrewleestrust.org/docs/ALT_UK_Emerman_Eval_of_Risks_Eng_2018.pdf

The Trust also published a series of articles in The Ecologist that exposed the environmental abuse. See http://www.andrewleestrust.org/media_articles.html and below.

In October 2018 the Director of ALT UK met with the Minister for the Environment, Msr Guy Venance, during a visit he made to the UK. Also in attendance were the Minister's Adjoint and the Chair of the UK's Anglo Malagasy Society, Chris Brown. The Director briefed the Minister about the QMM buffer breach and its implications, and requested that the Minister assist ALT UK's inquiries by helping ALT UK access the QMM evaluation documents from the Malagasy regulator, Office Nationale pour L'Environnement (ONE) The Minister agreed and advanced the written request from ALT UK to the ONE in Tana. However the ONE evaluation/assessments have never been provided either by the ONE or QMM, and became the subject of a transparency and accountability action with Publish What You Pay. **See also below**

Advocacy/Lobbying

At the same time, ALT UK escalated its demand that Rio Tinto explain its assertion of QMM's compliance with buffer zone regulations and its agreements with the Malagasy state. As a result, the CEO committed Rio Tinto to undertake new field research to respond fully to the ALT UK/Emerman report. Rio Tinto dispatched a technical team to Madagascar and, as a result of their findings, issued a report in March 2019 wherein the company finally admitted to the QMM breach of the buffer or 'sensitive zone' by as much as 90 metres in places, and beyond legally approved permissions. Additionally, the company admitted to using QMM mine tailings to build its "berm"(or dam), which has extended onto the bed of Lake Besaroy.

The enquiries by ALT UK caused Rio Tinto to review the QMM mine plan and the berm structure (dam) and Rio Tinto announced that for the next planned phase of mining, QMM will

Report of the Trustees

re-establish and respect the statutory 80 m buffer zone between the mine and the lakes where people fish and collect water.

Meanwhile, ALT UK had advanced its Independent Radioactivity Review by Dr Stella Swanson. The review was carried out using Rio/Tinto QMM's data and engaged Rio Tinto's Chief Advisor on Radiation Governance and Product Stewardship in a peer review process of the findings. The Swanson review was published at the end of March. Graphic designer and ALT UK volunteer Alan Hunns produced the report, which included Rio Tinto's comments following a full review by its experts. The report highlighted QMM's inadequate and "unacceptable" monitoring of the mine, especially around water and ingestion pathways for radioactive substances; it also brought to attention questions and concerns over the presence of high levels of uranium in the lakes and rivers adjacent to the mine where local people fish and draw their drinking water; in some places uranium levels were 50 times higher than WHO guidelines for safe drinking water.

Although the region experiences high levels of background radiation, the elevated levels of uranium present a health concern and require the provision of alternative sources of safe drinking water, according to WHO Guidelines.

As a result of her findings, Swanson made a series of recommendations to Rio Tinto in the report including the provision of safe drinking water to mine affected communities; to communicate the findings of the Swanson report to communities as had been agreed prior to the studies; and that the company also address its failures in monitoring the mine's impacts.

See <http://www.andrewleestrust.org/blog/wp-content/uploads/2019/04/ALT-UK-Summary-of-the-Radioactivity-review-of-the-QMM-mine-2019-English-version-.pdf>
(Note the full 68 page report is available on request)

Throughout its research work, and including in this reporting year, the Trust engages national and international researchers, and liaises with Anosy civil society platform to gather information and take soundings from communities, to verify information, listen to concerns, and ensure its research and advocacy reflects the needs, interests and pre-occupations of local citizens in Anosy/Madagascar.

This year the Trust undertook additional scientific research to supplement the Emerman 2018 and Swanson 2019 reports. This includes an additional analysis of mining basin uranium levels (Swanson Memo 2019), documenting local water issues and taking water samples from sites in Anosy. The water samples have been tested in a university laboratory in Utah. The findings are being written up by Dr Emerman and will be published in November 2019, in the next reporting year. It is anticipated that these additional studies will contribute to current efforts to lobby the company for safe drinking water for mine affected communities.

1. Advocacy and Lobbying

The Swanson review recommendations, and the issues identified in her and Emerman's reports were taken by ALT UK to the Rio Tinto AGM in April 2019 to raise questions publicly in front of the company's Board of Directors, the investors and shareholders.

Report of the Trustees

These were recorded by the London Mining Network who provided support to ALT UK. See <https://londonminingnetwork.org/2019/04/not-the-whole-truth-the-rio-tinto-agm-10-april-2019/?highlight=rio%20tinto%20>

The same matters were tabled again, together with the issue of transparency in QMM –ONE relations, in a September meeting with the Rio Tinto CEO, the CEO of Minerals and Energy, and eight other members of RT's staff including water and radioactivity experts. Also present with ALT UK were the Director Friends of the Earth, Craig Bennett, Publish What You Pay's (PWYP) UK Coordinator, Miles Litvinoff, and Eryck Herinarahinjaka, national Coordinator for PWYP MG (via teleconference).

At this meeting, the company confirmed they had tendered out a call for external monitoring of water impacts for the QMM mine; they agreed to a number of further actions including to review a proposal for a pilot programme to deliver family level water filtration systems that was submitted by ALT UK. ALT UK worked closely with a Canadian based water technology NGO to develop this pilot proposal for cost-effective and appropriate home based water purification solutions for mine affected Anosy villagers. The solutions target removal of uranium and other heavy metals from water.

In the reporting period, the Trust worked closely with Publish What You Pay in UK and Madagascar to address transparency issues arising from the close relations between the national regulator, the ONE and QMM. In particular the failure of the ONE and the company to provide copies of technical assessments and/or evaluations made by ONE about the QMM buffer zone violation and which form the basis of Rio Tinto's public assertions that the QMM breach was "of no significant concern" and its impacts "negligible".

To date the company and ONE have failed to produce any evidence of technical evaluations by the ONE or any assessments that substantiate the ONE analysis of QMM's buffer breach. As a result of this failure, ALT UK and PWYP UK and MG developed a briefing and a campaign letter aimed at promoting greater transparency around the relations between the Malagasy environmental regulator, Office Nationale pour l'Environnement (ONE) and the mining company QMM. See https://www.pwyp.org/pwyp_members/united-kingdom/ and <http://www.andrewleestrust.org/blog/?p=1050>

The letter raises the problem of the current mining code in Madagascar that allows private extractives companies to pay the national environment regulator, the ONE, to undertake evaluations of their operations without any transparency over the ensuing reports and assessments. For example, the ONE reports are not currently in the public domain for open scrutiny. It calls on the Government to review the mining code (Decret MECIE) and address the inherent lack of transparency in the current provisions, and the risks for undermining local governance and local people's rights to information. The letter was sent to the Minister for the Environment and the Minister of Mines, and shared with the Extractives Industry Transparency Initiative (EITI) and International Council on Mining and Minerals (ICMM). It was signed by Malagasy civil society organisations and supported by more than a dozen international organisations. The letter and the briefing were disseminated broadly through local, national and international networks and online including on The Madagascar Environmental Justice Network (MEJN).

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ALT UK has continued to collaborate with PWYP MG to follow up on the impacts of the letter including PWYP MG's participation in local and national meetings with ONE, QMM, communities and local civil society in Anosy. The Trust also communicated the PWYP MG letters and briefing and connected PWYP MG and local CSOs with QMM's external advisory committees: the Biodiversity and Natural Resource Management Committee (BNRMC) and Independent International Advisory Panel (IIAP), in order to create additional exchange and scrutiny regarding the issues arising.

In order to increase pressure on the company to review its management of QMM's mine tailings and their potential impact on the local estuary adjacent to the QMM mine in Anosy, the Trust has also engaged various investor bodies about the issue of the QMM buffer breach – in particular the Church of England Investment Fund, the Local Authorities Pension Fund and Pensions and Investments Research Consultants. London Mining Network attended and assisted ALT UK at these meetings. The Church of England has launched an international initiative to increase transparency and improve safety management of mine tailings. <https://www.churchofengland.org/investor-mining-tailings-safety-initiative>.

Both in its feedback to Swanson's review, and in response to the Trust's questions at the Rio Tinto Annual General Meeting on 10th April, the company committed to carry out an additional review of the radioactivity situation in Anosy, planned for this year (2019).

In the meantime, ALT UK has undertaken additional research related to the uranium levels in the water around the QMM mine, and the potential impacts of the mine on water quality. This research is currently in development and being prepared for further engagement with the company and for reports and wider dissemination.

2. Dissemination and Communications

The summary of Swanson's report is available at http://www.andrewleestrust.org/studies_and_reports.html

Additionally, ALT UK requested that Rio Tinto translate Swanson's 68 page full technical radioactivity report into the French language in order to make its full content available and accessible to Malagasy stakeholders, including QMM's national partners in the Malagasy Ministries (Environment, Mines etc), the national regulator (ONE) and the research institutes who provide monitoring services e.g. the National Institute for Nuclear Science and Technology (INSTN). After additional lobbying of the CEO at the 2019 AGM, the company agreed and the translation is being advanced. ALT UK reviewed the translation with the assistance of a bilingual scientist and with final review by Swanson. The French translation will be produced in final copy by Rio Tinto – and is pending publication.

ALT UK has also disseminated the Swanson Independent Radioactivity review (English version) in summary, and in full text, to stakeholders at local, national and international levels and engaged a number of stakeholders on the buffer breach and concomitant radioactivity issues, including the QMM advisory bodies mentioned above, also the World Bank, the IAEA, the IUCN, Business and Human Rights Resource Centre and the Initiative for Responsible Mining Assurance (IRMA).

Report of the Trustees

The Trust has also communicated the Emerman and Swanson reports to the World Bank, along with the PWYP letter and briefing. The Trust has outlined the case for the World Bank to review the QMM buffer breach against the environmental standards laid out in the conditions of the World Bank's loan to the QMM project which ended in 2014 (the breach took place before the project end).

In its dialogue with Rio Tinto, ALT UK has requested a full discussion on communications requirements around the release of the Swanson Independent Radioactivity Review – most especially for meeting information needs of local communities in Anosy. This was in keeping with its discussions at the start of the process and according to a framework agreement it developed and which was agreed to by Rio Tinto ahead of the Swanson studies. Based on more than a decade of delivering successful communications in southern Madagascar, ALT UK developed a six page briefing discussion paper to catalyse an in depth analysis of what might be required for scoping an effective communications strategy around the report. To date the company has not developed a full response to this paper or a plan. ALT UK continues to lobby for this communications aspect in our engagement and research about the QMM mine's radioactivity levels.

ALT UK maintains communications with Malagasy civil society, PWYP UK and MG and other collaborating partners nationally and internationally to advance the current actions and activities.

The Trust maintains communication with Rio Tinto and is awaiting the latest written response from Rio Tinto following the September 2nd meeting with the CEO and RT staff. This will include agreed action points and updated information from the company.

During the reporting period, ALT UK published two articles in The Ecologist online, and participated in a number of events related to its research and advocacy work around the Rio Tinto/QMM mine.

See Public relations and Events section below.

PUBLIC RELATIONS AND EVENTS

The ALT UK website blog is updated in order to provide regular news about the Trust's work. See <http://www.andrewleestrust.org/blog/>

The Director gave **two University talks** during the reporting year: one on the 10th October 2018 to students on the University of Bath Masters programme on international development (ethics module); and a second to students at the University of Surrey's Sustainability Week, on the 5th December 2018. Both lectures explored the relationship between local people and the environment in Madagascar, and included an exploration of the challenges and ethics of biodiversity offsetting using the QMM offsetting programme in Anosy as a case study.

Biodiversity offsetting claims to compensate for loss of biodiversity on one area by conserving or creating it in another; however the measurement processes involved, environmental assumptions, and the ethical considerations – especially regarding the impacts on indigenous communities, climate change and the imperative of economic growth - create significant contestation as to the value of the approach.

In the reporting year, the Trust saw the **online publication** of its co-authored report with Friends of the Earth on Biodiversity Offsetting. The report, entitled "New Tricks: Biodiversity Offsetting and Mining, highlights the challenges of the practice of offsetting around mining projects, and includes the QMM case study in Madagascar.

See <https://policy.friendsoftheearth.uk/publications/new-tricks-biodiversity-offsetting-and-mining>

The Trust also **published two articles** about the QMM buffer breach in **The Ecologist**, at

- <https://theecologist.org/2019/mar/08/rio-tinto-retreats-sensitive-zone-madagascar>
- <https://theecologist.org/2019/apr/09/rio-tinto-admits-buffer-breach>

and the Director participated in an interview for the an article on **Mongabay**.

<https://news.mongabay.com/2019/04/madagascar-rio-tinto-mine-breaches-sensitive-wetland/>

On the 13th March, the Director presented to the **Anglo Malagasy Society** in London, sharing the QMM case study in a debate about the mining industry in Madagascar entitled: "Can mining contribute to sustainable development in Madagascar?" The event encompassed a panel discussion with three other speakers and debate with the society members. See <http://www.andrewleestrust.org/blog/?p=830>

On the 9th April the ALT UK Director presented at a **London Mining Network** event hosted by Amnesty International in London. The event exposed and explored issues around mine tailings across a number of extractives projects in different countries, and including Madagascar (QMM case study: buffer breach). The evening was chaired by the Guardian environment correspondent John Vidal, who also facilitated an audience debate.

At a three day workshop entitled "**the Micropolitics of Mining Capitalism**" held at the University of Liège between 11-13 September 2019, the ALT UK Director co-presented a paper on the subject of the QMM mine co-authored with Institute of Development Studies (IDS) conflict specialist Amber Huff. The paper entitled: *The Micropolitics of 'green' extraction in southern Madagascar*. The event was attended by academics from across Africa and Europe with a research focus on mining. The Huff & Orenge paper is still in development and will be published in the next reporting year.

FACTORS AFFECTING ACHIEVEMENTS AND PERFORMANCE

The political, social and economic environment in Madagascar continues to create severe challenges for Malagasy civil society, including for ALT UK's local partner, ALT Mg. ALT UK maintains focus on ensuring that local civil society and local agendas are supported and resourced so that change is led from the grass roots and thereby responsive and appropriate to local needs, vision and aspirations.

Improved Internet and mobile phone communications in Madagascar has enhanced connectivity with the ground and enabled more frequent and reliable communications with the field and with partners.

Report of the Trustees

Significant collaboration with and contributions from experienced, dedicated international researchers, legal advisers and others – much on a voluntary, pro bono or reduced rate basis, has positively contributed to ALT UK's advocacy work over the course of the year.

New partnerships and collaborations – such as with Publish What You Pay UK and MG, have increased ALT UK's effectiveness and broadened its advocacy impact.

Support from the Aldama Foundation and The Oak Foundation has positively contributed to ALT UK meeting its objectives this year – see 'Achievements and Performance' above. We are very grateful to these foundations for their support.

FINANCIAL REVIEW

During this year funds have been allocated for two principle areas of activity: supporting ALT MG's agenda (launch of the CERCLE) and the Trust's Research and Advocacy work.

Communications costs with Madagascar remained a significant financial outlay due to the need for calls to Madagascar mobiles when landlines or other forms of communication were not available. These calls related to all the Trust's programme of work and are consequently considered a project or field research cost.

Natural Numbers, Chippenham, remains the Trust's accountant and Independent Financial Evaluator.

Reserves Policy

Trustees have a reserve policy in place. The policy remains current and the Trustees plan to maintain sufficient unrestricted (free) reserves to provide continuity of service provision. ALT UK has established a target level of unrestricted (free) reserves to provide for any unexpected shortfall in funding and as a financial buffer in times of cash flow difficulties. If the level of reserves falls below the required level, trustees will agree and implement an appropriate fundraising strategy according to existing needs. Additionally, ALT may hold restricted funds in reserve as appropriate to the needs of the specific project in hand or proposed new initiative.

The actual reserves at 30th September 2019 were **£6,750 GBP**

Note: Figures have been rounded to the nearest £100.

RESPONSIBILITIES OF THE TRUSTEES

Trustees prepare the annual report and the financial statements according to applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005). The responsibilities of the Trustees are set out in the statement of responsibilities of the Trustees.

Report of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date, its incoming resources and application of resources, including income and expenditure for the year ended. In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Trustees are responsible for keeping accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant financial information and that this information has been communicated in the report.

The Trustees who are also directors under company law, who served during the year and up to the date of this report were as follows:

Mary Taylor
Christine Orengo
Anthony Long
Mike Childs

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 30th September 2019 was 4. The Trustees have no beneficial interest in the charitable company.

Financial Report

A financial report for the reporting period has been prepared by Natural Numbers. See ALT Financial Report 2018-2019.