



**KIDS IN KATHMANDU NEPAL**

*"a better life through education"*

## **Annual Report and Accounts 2014-2015**



**Kids in Kathmandu Nepal supports orphaned and underprivileged children and young people in Kathmandu by providing facilities and activities that assist in advancing their education to improve their life chances**

**KIDS IN KATHMANDU NEPAL LTD**  
**(A company limited by guarantee)**  
**REPORT AND FINANCIAL STATEMENTS**  
**TO 30 JUNE 2015**

**Company Registration Number: 07517465**

**Charity Registration Number: 1142150**

## **Kids in Kathmandu Nepal Ltd**

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*Cover photo shows two of KIKN's sponsored children, sisters Sunita and Sarika, in September 2014. They live with their father, step-mother and step-brother in one room in a multi-occupied building in Kathmandu. There is no running water & only a two-ring gas hob in the room for cooking.*

*They had to evacuate their home following the earthquake.*

**KIDS IN KATHMANDU NEPAL LTD**  
**REFERENCE AND ADMINISTRATIVE INFORMATION**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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**Trustees/Directors:**

- Rachel Burnett
- Lai See Chew                      Founder/Chief Officer
- John Crowe
- Janet Davies                      Chair
- Simon Kleinig                    (resigned 06.05.2015)
- Stephen Smith                    (appointed 14.05.2015)

**Company Registration Number**

07517465

**Charity Registration Number**

1142150

**Registered Office**

58 Durban Road, Beckenham, Kent, BR3 4EZ

**Bankers**

HSBC Bank, 141 High Street, Beckenham, Kent, BR3 1BX

**KIDS IN KATHMANDU NEPAL**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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The Trustees, who are also Directors of the charitable company for the purpose of the Companies Act 2006, submit their annual report and the financial accounts for Kids in Kathmandu Nepal Ltd (KIKN) for the year ended 30 June 2015. The Trustees confirm that the annual report and financial accounts comply with the current statutory requirements, the requirements of the company's governing documents and the provisions of the Charities Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**STRUCTURE AND GOVERNANCE**

**Organisational Structure**

Kids in Kathmandu Nepal was incorporated as a company limited by guarantee on 02 February 2011 (company number 7517465) and registered as a charity with the Charity Commission on 27 May 2011 (charity number 1142150). The charity is governed by its Articles of Association. Legal responsibility for the management of the charity is vested in the Board of Trustees.

The charity has no members, other than the Trustees. It has no ties with any other organisation. The Board of Trustees makes all strategic decisions.

Mrs Janet Davies is the Chair.

Ms Lai See Chew acts as the Chief Officer of the charity and co-ordinates activities, including providing agendas and minutes of meetings, reporting to sponsors on the children they support and liaising with the orphanage and schools that we support in Nepal.

In accordance with the Charity's Objects, the three founding Trustees (Lai See Chew, Janet Davies and John Crowe) who had served four years, resigned as Trustees on 12 May 2015, and were duly reappointed as Trustees at a meeting held on the same day.

Simon Kleinig resigned as a Trustee on 6 May 2015, and the Trustees thanked him for his contribution to the development of the charity.

Stephen Smith attended the Annual General Meeting held in February 2015 and attended the May Trustees' meeting as an observer. He was appointed as a Trustee on 14 May 2015

The Save Lives Foundation Orphanage is the hub of the charity's work in Kathmandu. Uma Mathema, House Mother, is our key contact in Nepal. She liaises with the schools and with parents or families of sponsored children who live in their family homes, monitors operational projects and brings to our attention any matter she considers the charity needs to know. She assists the Chief Officer to identify and prioritise potential new projects. During the year, on our behalf, she purchases authorised goods for the children or schools from our Nepal account.

We do not give any money directly to the sponsored children, their families or the schools. We pay fees and pay for the goods and services directly to the providers, so we have some control over how the money is spent.

Bank transfers of funds to Nepal require the authorisation of the Chief Officer or Chair, after approval by Trustees. We have a dedicated bank account in Nepal, operated by Uma Mathema, and we receive copies of the bank statements, so that we are able to monitor expenditure.

Each year, in September, the Chief Officer visits Nepal (at her own expense), staying at the orphanage and visiting the schools and meeting all sponsored children, to ensure that the transferred funds have been utilised as directed. She is also able to identify any matters of which the Trustees should be made aware, including new children to be sponsored or additional requirements for funding at the orphanage or schools.

**KIDS IN KATHMANDU NEPAL**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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In 2014, the Chair also visited Nepal, whilst the Chief Officer was there. She met all the sponsored children, visited some families and viewed our ongoing projects at the schools and orphanages that we support.

The Charity's Annual General Meeting, in accordance with the Articles of Association, was held on 22 February 2015, when children's sponsors, Friends and donors to the charity were invited to attend. We generally combine the AGM with a Chinese New Year celebration fund-raising event, in view of the Founder's Chinese heritage.

In April 2015, the Chief Officer made a second, shorter, visit to Nepal.

**Staff**

Kids in Kathmandu Nepal charity does not employ any staff and has no premises costs. All its administrative duties and fund-raising efforts are carried out by the Trustees and by Friends of the charity.

**Recruitment and Appointment of Trustees**

The Articles of Association provide that Trustees (Directors) are appointed for a period of four years, when they must retire, but can be re-appointed in accordance with the rules outlined in clause 31 of the Articles of Association. The minimum number of Trustees is three, with no maximum number stated. Trustees can be appointed at any general meeting, under the terms of the Articles of Association.

Trustees are generally also sponsors of children supported by KIKN. We ask that all potential new Trustees attend a Board meeting and meet with the other Trustees, before consideration of appointment.

The Board of Trustees holds quarterly Trustees' meetings. The Chief Officer and Chair meet at least monthly to oversee the administrative duties of the charity, deal with financial matters and to plan activities, including fund-raising events.

Induction and Training of Trustees: New Trustees are provided with detailed information about Trustee responsibilities, and provided with Trustee guidance material sourced from the Charity Commission. We refer to this guidance and to our Articles of Association, particularly when new Trustees are appointed.

As the charity provides for the needs of children, albeit in Nepal, we have a Child Protection Policy which is given to Trustees and all sponsors of individual children.

**KIDS IN KATHMANDU NEPAL**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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**OBJECTS AND ACTIVITIES**

**Summary of Objects**

The charity's Objects are as follows:

- To relieve the poverty of orphaned and underprivileged children and young people up to the age of twenty four (24) years in Kathmandu Nepal by the provision of clothing, equipment and other goods for daily living; and
- To advance in life and relieve the needs of orphaned and underprivileged children and young people up to the age of twenty four (24) years in Kathmandu Nepal by providing support, facilities and activities which assist in advancing their education and developing their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.

**Summary of the Main Activities Undertaken in Relation to these Objects**

**Sponsored Children**

In July 2015 the charity was sponsoring a total of 32 children and young people. Eight sponsored children are cared for at the Save Lives Foundation Orphanage, four sponsored girls live in Paropakar Orphanage (said to be the oldest orphanage in Kathmandu) and the others are pupils from the Shree Neel Barahi School and other local schools. The orphanage and the Shree Neel Barahi School are in Kalimati, an impoverished area of Kathmandu where many of the families live below subsistence level.

Nepal is one of the poorest countries in the world. Not all the children we support are orphans, but those who are not orphans are often living in one-parent, destitute families.

For sponsored children, the funding ensures that they have adequate summer and winter clothing, school uniforms and essential equipment for schooling, and pays for their school fees. For children who live with their families, we also provide a table and a large solar rechargeable battery lamp to enable them to do their homework during the daily power cuts (some homes have no electricity at all).

We fund extra-curricular English classes for all our sponsored children. The ability to communicate in English is a means to enter further education or to improve employment opportunities.

The majority of the sponsored children whom we support are girls. The Trustees have agreed that any further children we sponsor should preferably be female. Nepali girls from poor families are sometimes 'sold' and trafficked. They generally have less opportunity to access education. We consider that by supporting girls and young women, they will have greater opportunities to gain life skills for future employment and are less likely to be seen as a burden to their families.

All children put forward for sponsorship are carefully considered by the Chief Officer and the orphanage House Mother. Only children who come from truly destitute families can be considered, as they are the ones least able to access education.

All the sponsors for individual children are friends, acquaintances, contacts of the Trustees, or have come via fund-raising events. Sponsors agree to provide regular funding for a named child. The sponsors receive reports on their sponsored child's progress at school. In accordance with our Child Protection Policy, any communication from a sponsor to a child must be vetted by the Chief Officer.

**Institutions**

In addition to our sponsored children, we also provide support to the Save Lives Foundation Orphanage, the Shree Neel Barahi Secondary School, the Jana Sudhar Lower Secondary School and Om Disabled Children's Care Home. The schools are very appreciative of the support we have

**KIDS IN KATHMANDU NEPAL**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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provided and each year, when the Chief Officer visits, they go to great lengths to put on wonderful welcome events to thank Kids in Kathmandu Nepal.

**Summary of the Main Achievements during the Year**

**Sponsored Children and Young People**

During the year we have increased the total number of children and young people we sponsor from 29 to 32, and we have a waiting list of children seeking sponsorship. We only sponsor a child once a sponsor is identified. Some children dropped out of the sponsorship programme during the year due to their non-attendance at school over a long period of time. Their places were taken by the four young women from Parapokar Orphanage. Another new sponsorship is for a 16 year old with severe physical disabilities, who could continue into 6<sup>th</sup> form with our support.

One young woman whom we have sponsored for several years is now studying accountancy at Kathmandu University and another newly sponsored young woman is at teacher training college.

Each year, when the Chief Officer travels to Nepal, she meets all the sponsored children and takes a personal greeting from each sponsor to their sponsored child. She returns with letters from the children to their sponsors. The Chief Officer writes a blog and regularly updates the KIKN Facebook site whilst in Nepal, and on her return sends out a newsletter to update sponsors on the charity's work in Kathmandu. The main aim is to keep the on-going interest and commitment of the sponsors by sharing with them news and events in the children's lives. We send out newsletters and provide photographic displays and videos at the Annual General Meeting.

The Chief Officer receives regular school reports for each of the children and young people, and these reports are forwarded to sponsors.

**Save Lives Foundation Orphanage**

Our Chief Officer stays at the Orphanage whilst visiting Kathmandu each year.

We make a contribution to the rent and utilities for the Saves Lives Foundation Orphanage. We have previously funded the purchase of a generator, for use during daily power cuts (the local authority provides a timetable when the electricity power will be cut off each day). During this year we have funded the installation of solar panels, to improve access to power during power cuts and to have less reliance on the generator and its costly fuel.

We fund Nepali dancing and karate classes for the orphanage children.

During the Chief Officer's annual visit to Kathmandu, the Charity funds an open day at the orphanage for all sponsored children, from the orphanage and elsewhere. The mothers (and occasionally fathers) of those children who live with (or have contact with) their families come together for the Open Day. The sponsored children receive their new clothes, school uniforms and school materials. The event is great fun and much food is consumed. In 2014 the Chair also attended Open Day and witnessed the children eating so many momos that she thought they would burst! (Momos are small steamed dumplings that are a traditional delicacy in Nepal and often filled with buffalo meat).

**Shree Neel Barahi Higher Secondary School**

Despite its name, this school takes children from nursery school age to sixth form, and has some 700 pupils. School fees are payable and the Charity funds the fees for those children we sponsor.

In past years, we have provided the school with a total of 35 desktop computers and computer desks and solar panels. We fund 50% of the salary of a computer teacher, to enable the school to recruit a suitable candidate. During this year we have increased the amount of funding for the computer teacher.

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**FOR THE YEAR ENDED 30 JUNE 2015**

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We fund extra-curricular karate classes and dancing classes at the Shree Neel Barahi School. These classes are for the benefit of any child attending the school. The dancing and karate classes are very popular.

Since 2012 we have funded a breakfast club for nursery children and now 100 young children receive a daily nutritious breakfast. The school has reported that the children have benefited greatly from a regular meal at the start of the school day.

**Jana Sudhar Lower Secondary School**

Jana Sudhar Lower Secondary School is in Kimdole, another impoverished neighbourhood in Kathmandu, and which we started to support during 2012-13. It is much smaller than the Shree Neel Barahi School, with around 400 pupils from nursery to fifth form age. We have previously funded the provision of flooring, tables and cushions for the nursery classrooms.

In early 2014 we commenced a breakfast club for 80 nursery class children, although the school stretches the money to feed 100 children every school day.

We fund the school's supply of exercise books for the pupils annually.

During this year we have provided more funds so that the school could complete internal works and furnish the school library, which we started funding on a quarterly basis the previous year.

We purchased 12 computers and associated desks and chairs, and have commenced funding 50% towards the salary of a computer teacher. This computer teacher is a young man who attended Jana Sudhar School as a child, went to university, speaks English well, and is now a driving force in seeking funds for improved facilities for the school and pupils.

**Om Disabled Children's Care Home**

The ODCCH provides care for eleven children with disabilities. In Nepal, babies born with disabilities are often abandoned by their parents. The house mother of ODCCH has a disabled child, whom she chose to care for at home. When other local people learnt of this, children with disabilities started to be left on her doorstep. The house mother barely has the resources to care for the eleven children and young people who now live with her. None of them has received a medical diagnosis or have any medical, therapy or educational input. This is too costly in Nepal.

During 2013-14 we began funding a small quarterly sum of money as a contribution to rent and subsistence food provisions for Om Disabled Children's Care Home.

This year we bought new bedding for all the children and had a boiler and shower installed so that the children, some of whom are incontinent, can be showered in warm water.

We have also employed a part-time teacher and a massage therapist to work with the children on a regular basis. Some of the children have improved mobility since the introduction of regular therapy.

**Benefits to the Wider Community in Kathmandu**

Almost all the goods and services we fund in Nepal are locally sourced in Kathmandu. The children's school uniforms and other clothing are tailored in the neighbourhood. Tables and desks, or any other furniture we purchase, are made by local carpenters.

The English, dancing and karate teachers have a regular source of income, as do the massage therapist and teacher working at Om Disabled Children's Care Home.

The computer teachers at Shree Neel Barahi Secondary School and at Jana Sudhar Secondary School have employment due to our funding.

We buy craft goods locally to sell in the UK to raise more funds.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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We are pleased to report that the funds we raise in the UK not only enriches the lives of impoverished children in Kathmandu, but also benefits the wider economy through the provision of employment for local people and by supporting local businesses.

**The Nepal Earthquake 2015**

On 25<sup>th</sup> April 2015 a powerful earthquake hit Nepal, with its epicentre near to Kathmandu. More than 9,000 people were killed. Many buildings were destroyed and people made homeless. Many of Nepal's historic sites were badly damaged and the Everest area of the Himalayas was badly affected. Roads were impassable and although major international aid agencies mobilised quickly in response to the disaster there was difficulty reaching remote areas.

Many buildings, even in the capital city of Kathmandu, and in a country that is at great risk, are not built to withstand earthquakes. We were very concerned about the plight of the children, families, orphanages and schools we support. Communications were difficult in the early days, but we were able to ascertain quite quickly that although the Save Lives Orphanage was damaged, all the children who live there were safe. Uma, the orphanage housemother, made great efforts in the early days to ascertain the whereabouts of all the children we sponsor.

After some days, we learnt that all of the children we sponsor had survived the earthquake, although some were living with their families in makeshift shelters in the streets and many families had fled to the countryside where their extended families live. Even where buildings were still standing, such as the Save Lives Orphanage, the damage made them unsafe and following the second strong earthquake (or aftershock) occurred on 12 May 2015, many people were too scared to return home. Uma and the orphanage children slept outside for many weeks, until repairs were carried out.

Shree Neel Barahi School was not significantly damaged, although it remained closed for some time, largely because many of its teachers and pupils had left the city. Jana Sudhar School had extensive damage to its newly-built classrooms, but re-opened very quickly after the earthquake. Om's Disabled Children's Care Home continued to function.

As time went by, we learned that the homes of some of our sponsored children, who live in the Kathmandu Valley had been destroyed and they were living in the open countryside in temporary shelters, surrounded by poisonous snakes that had been disturbed by the earthquake.

A major problem for everyone was the lack of clean drinking water, as a result of the contamination of wells and other water sources.

Following the earthquake, KIKN Trustees set up an earthquake appeal to raise additional funds to provide emergency aid to the children, families and projects we support. We were astounded by everyone's generosity. Many people who are not our regular donors gave us money because they knew that all the money would go directly to our projects. Futures for Kids charity, donated £5,000 immediately we started our appeal.

The plight of Nepal was brought to the forefront of people's attention and organisations were willing to hold events or let us collect money for earthquake relief. By the end of June 2015 we had raised £15,727, specifically for our earthquake appeal.

*See the case study on page 19 to find out what we did to respond to this emergency.*

# KIDS IN KATHMANDU NEPAL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 30 JUNE 2015

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#### FUNDRAISING

We consider that our fundraising has been very successful during the year, especially in response to our earthquake appeal, for which we had raised more than £15,000 in the two months to the end of our financial year. Together with fundraising efforts and other substantial donations, for this appeal we were fortunate to receive a grant of £5,000 from Futures for Kids (FFK) charity. FFK is a charity established by City of London futures traders with the aim of funding small charities in the UK and abroad, and this is the third year they have given us a grant.

All the children we sponsor are funded by individual sponsors, who donate a regular monthly or annual sum of money to the charity.

Over and above the donations we receive from sponsors, we receive some smaller regular donations, and some sizable one-off donations, from friends of the charity. During our earthquake appeal efforts, we were mindful that we should not lose sight of the ongoing projects that we support, and that we needed to ring-fence monies raised from regular events, such as our annual charity cricket match, for those projects.

During 2014/15 the Trustees and friends have organised several fundraising events. At some of the events we have sold the Nepali goods brought back from Nepal by the Chief Officer. The key fundraising events undertaken were as follows:

- *Supporters' Summer Lunch – July 2014.* Sponsors and donors were invited to a lunch provided by the Chief Officer to thank them for their continued support. We sold £111 of Nepali craft goods
- *Birthday Party – August 2014.* The Chair held a comedy event party that raised £925
- *Nepal Talk – December 2014.* Friends of Blackheath Halls donated £209 following a talk given to the Architecture Group.
- *Christmas Dance – December 2014.* We held a disco dance and raised £899 (including return of hall hire deposit) from the sale of entrance tickets, raffle tickets and craft sales.
- *Cake Sale – February 2015.* Tracy Richardson organised a cake sale at Lower Marsh, an NHS headquarters building, and we sold £310 worth of homemade cakes
- *Chinese New Year Celebration and Annual General Meeting – February 2015.* The Chief Officer held a Chinese New Year event, which we combined with our AGM. We received £880 in donations.
- *Bucket Collection at Blackheath Halls – May 2015.* Over two weekends, Blackheath Halls allowed us to hold two bucket collections for our earthquake appeal and we collected £493
- *Charity Cricket Match – June 2015.* Bromley Town Cricket Club hosted our annual charity cricket match against the Weekenders Cricket Club and we raised £976 from raffle tickets, tombola, plant sales and cake sales.

Other funds for our earthquake appeal were raised by:

- *Cake Sale – June 2015.* Lewisham Council Health & Social Care Department held a cake sale and raffle to support our earthquake appeal. They raised £1,126.
- *No Uniform Day – June 2015.* Eastbrook School, Dagenham donated the £619 proceeds of their no-uniform day to our earthquake appeal

We would like to take this opportunity to give our sincere and grateful thanks to all our sponsors, friends, donors, and organisations who have contributed to our successful fund-raising activities during the year.

**KIDS IN KATHMANDU NEPAL**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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We would like to especially thank those individuals who made generous donations during the year, particularly in response to our earthquake appeal.

We thank the following individuals and organisations who facilitated fundraising events:

- Blackheath Halls
- Bromley Town Cricket Club
- Eastbrook School, Dagenham
- Friends Blackheath Halls
- Futures for Kids
- Lewisham Council Health & Social Care Department
- Stewart Fleming Primary School, Penge
- Tracy Richardson and Lower Marsh NHS
- Unicorn Primary School, Bromley
- Weekenders Cricket Club

## **PUBLICITY**

### **Website and Newsletter**

We were concerned that our website was outdated and that we did not have the skills to improve it, and John Crowe, one of our trustees, put us in contact with Erhan Tahir, a young graduate. For a small fee, he built a new website, and will continue to host the site for us. Erhan instructed Stephen Smith, our new Trustee, on how to populate the new website and to keep it updated. We have been excited about this new initiative and expect that during the following year the website will be fully operational, more user friendly, with better ability to promote KIKN projects and our fundraising activities, and to support the collection of donations.

During the past year our Chief Officer made regular postings on our Facebook page to publicise events and to inform all of our followers about how we were spending their sponsor monies and donations in Kathmandu. We have found this a powerful medium, especially the ability to quickly upload photographs from Nepal with the narrative. We found this to be a particularly useful publicity media following the earthquake.

We also publicise our work and events on Twitter, but it remains unclear how effective this is, but it does create more publicity when tweets are retweeted to a wider audience.

During 2014/15 we have not had the skills to send out any e-newsletters, although we do send out regular (blind-copied) emails to our supporters to provide updates on KIKN's activities. We hope that in the coming year we will be able to re-start an e-newsletter to our wider audience.

**KIDS IN KATHMANDU NEPAL**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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**OBJECTIVES AND PLANNED ACTIVITIES**

**Objectives and Planned Activities for 2015-2016**

We aim to undertake the following activities in 2015-2016 to meet our charitable objectives:

1. *Trustees* – to maintain the current number of Trustees
2. *Sponsors* - to maintain the current number of 32 children in receipt of sponsorship
3. *Higher Education* – to fund higher education courses for our sponsored children
4. *Extra-curricular classes* – to continue funding English, Nepali dancing and karate classes
5. *On-going support to current projects* – to raise sufficient funds to continue support of on-going projects (e.g. breakfast clubs for nursery children at the two schools, funding of computer teacher salaries)
6. *Earthquake Relief* – to identify how best to use the residue of our Earthquake Appeal monies to directly benefit our children, families, orphanages and schools that have been affected.
7. *New Projects* – to prioritise any newly identified projects with regards to available funding
8. *Local Resources* – to continue sourcing goods that we purchase in Kathmandu from local suppliers and crafts people to contribute to the local economy
9. *Futures for Kids* – to make an application for funding for solar panels for Jana Sudhar School
10. *Other Grant-making Organisations* – to follow-up applications made to increase the funding available for projects
11. *Fundraising activities* – to organise fundraising activities to raise additional funds and to engage friends, supporters, and local communities in the work of the charity.
12. *Technology* – to populate our new website and update it regularly, to continue regular updates on Facebook, to publicise events on Twitter, and to develop our capability to send e-newsletters.

With only five volunteer Trustees it may be difficult to fully achieve all our objectives. Our main aim is to maintain our income streams from sponsors, other donors and fundraising events so that we can continue to meet our commitment to support and benefit the children at the Save Lives Foundation Orphanage, the Shree Neel Barahi School, the Jana Sudhar School, and Om Disabled Children's Care Home.

The Director will return to Nepal in September/October 2015, staying at the orphanage and undertaking business on behalf of the charity relating to the orphanage, schools and care home. She will identify any new project requests for Trustees to consider on her return. She will also assess how our Earthquake Appeal monies have been utilised and where we might further assist those in continuing need due to the April and May 2015 earthquakes.

**KIDS IN KATHMANDU NEPAL**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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**FINANCIAL REVIEW**

Our total expenditure for the year was £29,197 and with an income of £41,790 we have net incoming resources of £12,593. Together with funds carried forward from the previous year, there is a sum of £23,060 at year end on 30 June 2015.

This exceptionally large surplus is because we will make a quarterly payment to Nepal in July 2015, and it includes a sum of £7,210 for Gift Aid reclaimed for two financial years, but not yet received. In addition, the end of the financial year came after two months of intensive fund-raising following the Nepal earthquake. We sent £7,000 to Nepal in May 2015, and the Trustees were meeting in early July 2015 to agree how the remaining £8,727 raised from our Earthquake Appeal should be spent to support our children and their families in Nepal.

The Balance Sheet shows current assets as £23,060, when the Gift Aid reclaim of £7,210 due from HMRC is taken into account.

It can be seen that the income raised during this year is in excess of funds raised during the period of the previous accounts.

Funding for all activities is raised by donations, from friends of the charity, from fundraising events or from grants. Sponsors of individual children make payments of regular donations to support a named child.

**Policy on Reserves**

In May 2015, the Trustees approved an increase of the reserve from £750 to £1,500.

The rationale for this increase of the reserve was due to the increased number of children sponsored and projects funded in Nepal.

Should any three persons cease to be sponsors in the same period, a sum of £360 would cover on-going payments to benefit the three sponsored children for a six months' period. This would provide time to enable us to recruit new sponsors, or to plan an exit strategy for the sponsored children if no new sponsors can be found. If, at the same time, an emergency payment was required to benefit sponsored children there would be a maximum sum of £1,140 available to cover such a request.

**Funds Materially in Deficit**

We have no funds in deficit.

**Funds held as Custodian Trustee**

We hold no funds as Custodian Trustee.

**Trustees' Responsibilities in Relation to the Financial Statements**

The Trustees (Directors) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which gives a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

**KIDS IN KATHMANDU NEPAL**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on the going concern basis, unless it is inappropriate to presume that the charitable company will continue in operation.
- Appoint an Independent Examiner to examine the accounts and to provide an Independent Examiner's Report.

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

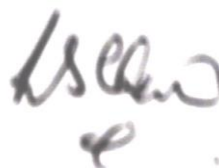
As a smaller company, under the terms of the Companies Act 2006, the Trustees have not required the accounts to be audited, but we are required by the Charity Commission to have the accounts independently examined.

This report was approved by the Trustees on 13 January 2016 and signed on their behalf by:



**Janet Davies**

**Director**



**Lai See Chew**

**Director**

**KIDS IN KATHMANDU NEPAL**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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	Notes	£	£
		2015	2014
Incoming Resources		Unrestricted Funds	Unrestricted Funds
Donations and grants	2	36,967	26,973
Fund-Raising Income	3	4,603	3,603
Other income	4	220	491
<b>Total incoming resources</b>		<b>41,790</b>	<b>31,067</b>
<b>Resources Expended</b>			
Charitable activities: supporting sponsored children, two orphanages and two schools in Kathmandu	5	26,895	21,933
Purchase of Nepali Goods		677	200
Fees	6	301	861
Governance Costs	7	133	250
Administration Costs	8	218	2,251
Fundraising Costs	9	973	1,015
<b>Total Resources Expended</b>		<b>29,197</b>	<b>26,510</b>
<b>Net Incoming Resources</b>		<b>12,593</b>	<b>4,557</b>
<b>Other Gains and Losses</b>		<b>0</b>	<b>0</b>
<b>Cash at bank &amp; in hand at start of year</b>		<b>10,467</b>	<b>9,010</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>23,060</b>	<b>13,567</b>

The notes found on pages 15-17 form part of this Statement of Financial Activities and of the Balance Sheet on the following page.

The Independent Examiner's Report can be found on page 18

**KIDS IN KATHMANDU NEPAL**  
**BALANCE SHEET**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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		£	£
		2015	2014
<b>Fixed Assets</b>			
Tangible Assets		0	0
Investments		0	0
<b>Total Fixed Assets</b>		<b>0</b>	<b>0</b>
<b>Current Assets</b>			
Stock and work in progress		0	0
Debtors	10	7,210	3,100
Cash at bank and in hand at year end	11	15,850	10,467
<b>Total Current Assets</b>		<b>23,060</b>	<b>13,567</b>
<b>Creditors: amounts due within a year</b>		<b>0</b>	<b>0</b>
<b>Liabilities and charges</b>		<b>0</b>	<b>0</b>
<b>Net Assets</b>		<b>23,060</b>	<b>13,567</b>
<b>Funds of the Charitable Company</b>			
Unrestricted funds	12	21,560	12,817
Designated Reserve Fund - unrestricted		1,500	750
<b>TOTAL AVAILABLE FUNDS</b>		<b>23,060</b>	<b>13,567</b>

**Audit Exemption Statement**

For the year ending 30 June 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to smaller companies.

**Directors' responsibilities:**

- the members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476,
- the Directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts,
- these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

*J. Davies*

**Janet Davies, Director**

*Lai See Chew*

**Lai See Chew, Director**

**KIDS IN KATHMANDU NEPAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**1. Accounting Policies**

**1.1 Basis of preparation**

These accounts have been prepared on the basis of historic cost in accordance with:

- Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005);
- and with Financial Reporting Standards for Smaller Enterprises (FRSSE);
- and with the Charities Act.

**1.2 Change in basis of accounting**

There are no changes.

**1.3 Changes to previous accounts**

Cash at Bank at start of year and at end of year now includes a Reserve Fund of £1,500. It was £750 in previous years. Both also include a float of £100 held as cash for fund-raising events.

**1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources
- the Trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Donations and Grants are only included in the SoFA when the charity has unconditional entitlement to the resources.

Gift Aid Tax reclaims are included to the value expected to be reclaimed from HMRC with regards to eligible donations received since registration with the Charity Commission on 27 May 2011.

The charity has no investments.

**1.5 Expenditure and liabilities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries.

Fund-raising costs are those costs incurred in setting-up events to attract income.

The charity has no fixed assets.

The only liabilities are fees due in 2015/16.

**2. Donations and Grants**

Donations and grants are from the following sources:

	£
Sponsors' Donations	8,725
Other Donations	5,305
Earthquake Appeal Donations	10,727
Grant from Futures for Kids (Earthquake Appeal)	5,000
Gift Aid Reclaim 2014 (Estimated)	3,100
Gift Aid Reclaim 2015 (Estimated)	4,110
<b>Total</b>	<b>36,967</b>

The Gift Aid reclaim for 2014 was submitted to HMRC, but not received prior to year-end.

**3. Fund-raising Income**

Fund-raising income includes income and donations from all events held during the accounting period. It also includes the sale of Nepali goods at these events.

**KIDS IN KATHMANDU NEPAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**4. Other Income**

Other income is refund of hall hire deposit for the Christmas dance fundraiser.

**5. Resources Expended on Charitable Activities**

Expenditure is broken down for the Saves Lives Foundation Orphanage and its sponsored children, other individual sponsored children in Kathmandu, the Shree Neel Barahi School, the Jana Sudhar School, the Om Disabled Children's Care Home and Earthquake Relief:

	£
Sponsored children – school fees & education materials	2,450
Additional 6 <sup>TH</sup> form tuition fees for 2 sponsored young adults	200
University fees for one student	900
Teacher training fees for one student	265
English classes for sponsored children	450
Clothes and equipment for sponsored children, plus Open Day	1,342
Karate & dancing classes at Shree Neel Barahi School	900
Breakfast Club for 100 children at Shree Neel Barahi School	3,200
Salary 0.5 Computer Teacher at Shree Neel Barahi School	600
Breakfast Club for 80 children at Jana Sudhar School	2,500
Salary 0.5 Computer Teacher at Jana Sudhar School (6 mths)	300
Photocopier and 3 Computers for Jana Sudhar School	1,116
Desks/Chairs/Exercise Books/Carpet for Jana Sudhar School	646
Rent & utilities at Save Lives Foundation Orphanage	1,200
Solar panels for Save Lives Foundation Orphanage	1,245
Food for Om Disabled Children's Care Home	600
Children's bedding and gas boiler for shower at ODCCH	769
Therapist/Teacher at Om Disabled Children's Care Home	1,100
Hospital tests and medicines for sick child	35
Taxi fares to visit children and projects in Nepal	77
Earthquake Relief (see case study)	7,000
<b>Total</b>	<b>26,895</b>

**6. Fees**

Fees are for developing a new web-site, web-site hosting, bank charges for transferring monies to Nepal, and filing at Companies House.

**7. Governance Costs**

Governance costs include costs for the Annual General Meeting and printing the Annual Report.

**8. Administration Costs**

These costs include postage, printing and stationery.

**9. Fundraising Costs**

This includes hall hire and for 2014 and 2015 dances, printing tickets for the 2014 event, and food for fundraising events.

**KIDS IN KATHMANDU NEPAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**10. Debtors**

The sum of £7,210 is the amount the charity expects to receive from HMRC from the Gift Aid reclaim for 2014 and 2015.

**11. Cash at Bank and In Hand**

On 30.06.2015, the sum of £15,850 is cash in our bank account, including the £1,500 reserve fund, and a £100 cash float.

**12. Unrestricted Funds**

There are no restrictions on any of the expenditure of the income, donations and grants received, provided such expenditure complies with the Objects of the charity. The Reserve Fund of £1,500 is identified separately as an unrestricted Designated Fund

**13. Company Status and Corporation Tax**

The company is limited by guarantee and does not have a share capital. The liability of the members, in the event of winding up, is limited to £10 each.

**14. Corporation Tax**

The Charitable Company submits a Corporation Tax return to HMRC, as and when requested. To date, as a registered charity, we have been exempt from any charges.

**KIDS IN KATHMANDU NEPAL**  
**INDEPENDENT EXAMINER REPORT FOR THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

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**Independent examiner's report to the trustees of Kids in Kathmandu Nepal Company**

I report on the accounts of the company for the year ended 30 June 2015, which are set out on pages 11 to 15.

**Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) or under Regulation 10 (1)(a) to (c) of The Charities Accounts (Scotland) Regulations 2006 (the 2006 Accounts Regulations) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of the Chartered Institute of Management Accountants

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act) and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act)
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- to state whether particular matters have come to my attention

**Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission and is in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 386 of the Companies Act 2006 and section 44(1)(a) of the 2005 Act
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006, section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations
- which are consistent with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met.

**Name: Tracy Richardson**

**Relevant professional qualification or body:** ACMA (Associate Member of Chartered Institute of Management Accountants)

**Address:** 85 Norman Road, Leytonstone, E11 4PY

**Date:** 12 January 2016

## KIDS IN KATHMANDU NEPAL

### TRUSTEES' REPORT 2015

#### APPENDIX A – CASE STUDY

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#### The Nepal Earthquakes – April & May 2015

Although we knew that the big charities, such as Save the Children, were quick in responding to the Nepal Earthquake, we wanted to raise money to directly assist the children, families and schools we support. The Trustees received regular reports from Uma Mathema, in Kathmandu, about specific needs resulting from the effects of the earthquake. The Trustees held several extraordinary meetings to agree how to spend the monies raised (and also to organise our appeal). We sent £7,000, the first tranche of our appeal funds, to Nepal in May 2015.

Below are families living in makeshift tents on the street, and some of our children in the rubble outside the Save Lives Foundation Orphanage.



The initial £7,000 monies that we sent to Nepal in May 2015, were used as follows:

- Save Lives Orphanage – Repair of building (£1,800)
- Save Lives Orphanage – Water purifier (£607)
- Treats (food) for Oms Disabled Child Care Home (£100)
- Money for relocation and food for families for 6 weeks (£1,800) – this is the first time we have ever given cash directly to families
- Treats for children & young people in Saves Lives & Parapokar orphanages (£173)
- Daily breakfast for an additional 100 young children at Jana Sudhar School for one year (£2,700)



*Above: Oms' Home children with treats  
Left: Jana Sudhar School breakfast club  
(in background, temporary classrooms  
being built)*

By the end of June 2015, we were becoming aware of some major repairs or rebuilding required to the homes of some families.

In July 2015 we intend to send more money to Nepal for earthquake relief.

**KIDS IN KATHMANDU NEPAL  
TRUSTEES' REPORT 2015  
APPENDIX B – PHOTOGRAPHS**

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**JANA SUDHAR SECONDARY SCHOOL  
OCTOBER 2014**



Lai See Chew (Founder/Chief Officer) with Raju, an ex-pupil volunteer, in new library, furnished by KIKN. Raju is a post-graduate student who KIKN now funds 0.5 salary as computer teacher at the school.

*Below Left:* School playground – before earthquake!  
*Below Right:* Computers KIKN has purchased – we aim to raise funds to purchase more during 2015/16.



In 2014, KIKN visited during Dashain, which lasts 15 days, and is the most important Hindu festival in Nepal. Nevertheless, the school pupils, head teacher & Chair were keen to welcome us and to thank us for the funds we have raised for the Jana Sudhar School.

It is worth noting that although most of the pupils live in poverty, often with no running water, they always turn up to school in immaculately clean uniforms

**KIDS IN KATHMANDU NEPAL  
TRUSTEES' REPORT 2015  
APPENDIX B – PHOTOGRAPHS**

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**YOUNG WOMEN SPONSORED BY KIKN**

***Mamata, Zeni Kumari, Bindu & Anusha:***

Four sponsored girls from Parapokar Orphanage. Approx 15 years old & abandoned as young children – no accurate D.O.B. & all given surname 'Nepal'. Here with their House Mother.

KIKN hopes to fund their education through 6<sup>th</sup> form & university.



***Laxmi Maya Tharpa:*** Severely disabled 16 year old. Very articulate & speaks some English – much learned through watching American videos, such that she answers everyone with 'yes mam'!

We are sponsoring her in 6<sup>th</sup> form.



***Sangita, Aspasarah & Sona:*** 16 year old girls from Neel Barahi School –holding battery lamps provided by KIKN to enable them do homework during daily power cuts.

We sponsor them in 6<sup>th</sup> form.

All these young women were attending KIKN's Open Day at Save Lives Foundation Orphanage in October 2014. We commenced sponsoring all these young women's education during 2014/15

**KIDS IN KATHMANDU NEPAL  
TRUSTEES' REPORT 2015  
APPENDIX B – PHOTOGRAPHS**

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**OPEN DAY, OCTOBER 2014, AT SAVE LIVES FOUNDATION ORPHANAGE.**

All sponsored children and their families are invited – and they all eat a huge amount of food!



The children receive their new clothes for the year and school bags and other school equipment.



Uma photographing her Save Lives Foundation children, who are about to give a karate demonstration.

