

The Peru Children's Trust (No. 1063976) Annual Report July 2022-June 2023

History

The Peru Children's Trust (PCT) was formed in 1997 to support the work of the charitable organisation, El Shaddai, in the city of Huancayo, Peru. El Shaddai was established by Gay and Manuel Reynaga who witnessed the poverty of children and adolescents living in the shanty towns in and around Huancayo (a city in the Andes mountains). The charity initially assisted children and families affected by the 'Sendero Luminoso' terrorism act of the 1980s and has helped over 2,500 children to date.

In 2012 a new charitable organisation, 'Peru Children's Trust - Huancayo' (PCT-H), was established and assumed responsibility of the work done by El Shaddai.

Mission Statement

The focus of The Peru Children's Trust is the long term relief of poverty and sickness, and the advancement of education and Christian faith amongst poor, orphaned or abandoned children and adolescents. It operates in the shanty towns and deprived areas of Huancayo and surrounding villages in the Andes – an area with a population of 500,000 people. The charity employs family support workers who build and maintain close personal relationships with the children and families.

Structure & Governance

The Peru Children's Trust is governed by a Board of Trustees in the UK. The Trustees oversee fundraising and transference of funds to its partner charity Peru Children's Trust-Huancayo, who provide local governance and complete audit checks. Regular reports and accounts are reviewed to ensure that the money is appropriately spent. The transfer of funds to Peru is dependent on a review of the prior month's expenses and forward-looking forecasts. The Trustees visit Peru at least once a year to see first-hand the work carried out by the charity.

Objectives and Activities

1. **To holistically support the education of poor children and adolescents, enabling them to reach their full potential.** Although education in Peru is officially 'free' the government covers the cost of the teachers' salaries only; everything else such as registration fees, desks, books, stationery, and uniforms must be purchased by the parents. Families struggling with poverty cannot, therefore, afford to send their children to school.
2. **To improve the living standards of children and adolescents in impoverished families.** With care and love we can improve living conditions such as sanitation, bedding, roofing, nourishment, medical care and earning prospects, with self-help advice and small business start-up schemes.
3. **To promote Christian teaching, family guidance and counselling.** To enhance the life of the community by running Sunday school, children's holiday weeks, pastoral visits, women's welfare groups and Bible studies.

The primary objective of The Peru Children's Trust is to encourage people to sponsor a child by committing a regular sum each month that covers the cost of that child's education and wellbeing, as detailed above. The PCT endeavors to keep sponsors informed of their child's progress by monthly newsletters and annual reports.

Over the last 20 years, over 2,500 children have completed primary and secondary school education, some have gone on to university and gained good degrees, whilst others have been coached to be entrepreneurs setting up small businesses. They could not have done this without the help of the PCT and its supporters. As well as encouraging individuals to sponsor a child, the PCT raises awareness of the work through talks and activities at church, community groups and other interested bodies. It is also active on several social media platforms. In addition to its main sponsorship model, the PCT is developing a range of funding mechanisms to empower ongoing support, such as hosting handicraft and food sales, raffles, and sporting events.

The PCT in the UK works very closely with its sister charity in Peru, PCT-Huancayo, who employ family support workers responsible for visiting the children and families supported by the charity. The workers assess on a case by case basis what is required in order to enable the child to attend school and ensure they are equipped with the necessary tools. As well as school supplies, this will include roof repairs, solar panels (to provide light where there is no electricity), furniture and bedding. Not only does this drastically improve living conditions but financial and employment opportunities too, benefitting the family as a whole. Family guidance, counselling and Christian teaching are an important part of the work carried out by PCT-Huancayo.

The families helped by the PCT live in run down areas of Huancayo, in the shanty towns around the edge of the city, or in the villages along the valley. The housing is basic, cramped, with no proper sanitation or cooking facilities, and sometimes without doors or windows.

The children who live in these terrible conditions often cannot afford to attend school. Although education in Peru is free, children must pay a registration fee and wear a uniform. They also must provide their own stationery, equipment and books, including all textbooks.

Through the sponsorship scheme, the PCT provides the means for each child in the supported family to be educated to the end of their secondary schooling. It also funds their housing needs by providing roofing, doors and windows, furniture, and bedding. Often the Trust workers have to work to obtain birth certificates for the children as many have not been registered at birth due to the cost and therefore are unable to access an education without identity.

In addition to the sponsorship scheme, we ensure the children can have fun. For most, birthdays, Christmas and other important annual events are not celebrated. The PCT organises bi-monthly birthday parties and a special Christmas event each year, where the children can enjoy games, festive food and presents. Family guidance, counselling and Christian teaching to parents are an important part of our work.

Fundraising

The primary source of income for The Peru Children's Trust is through the sponsorship scheme, the funds of which go towards providing urgent relief to the children and families severely affected by poverty, and monthly wages for the Family Support workers. Sponsorship is driven by word of mouth and through the extended network of existing sponsors.

Increasingly we are seeing more funds being raised via other methods such as donations via the website and special fundraising events, including an annual photoshoot and Trustee participation in major sporting events.

Regular sponsors are also asked to make an extra contribution around Christmas time to help fund a Christmas gift and small party for the children. Funds raised through Gift Aid, along with general gifts to the Trust, go towards any shortfall caused by declining sponsorship, medical emergencies, and general administration. We ensure that most of the sponsorship money is spent on the

children using very little for UK administration.

The principal UK expenses are bank charges, however over the last year we have seen a net increase in year-on-year income for the trust - approximately 37%. This has allowed us to counter the increase in cost-of-living expenses faced by the people in Peru, including our family support workers. The GBP to USD exchange rate, although still weak, has stabilised enabling us to plan overall expenses in a more predictable manner.

The PCT increased the transfer of funds to Peru by 20% and through good planning and local governance, we have increased the total number of children that are supported by the Trust, while keeping running costs in check. Part of the increase funded an additional family support worker and a modest increase to the base salaries of the existing family support workers.

We have finished the year ended 2023 with a consolidated surplus slightly lower than the previous year.

Achievements and Performance

In August 2022, two of our Trustees, Mr A. Reynaga and Ms C. Hennessy, visited Huancayo to meet with the PCT-H and Family Support workers. Home visits to some of the poorest families were made providing the opportunity to speak with the families and understand their current challenges, as well as assessing the living environment for any urgent improvement works that may be needed.

A big event with the children was held, distributing winter bedding for the upcoming cold season. A hot, freshly cooked meal for each child was donated by a local restaurant.

The London Stock Exchange Group donated a large amount of old-branded corporate merchandise through their charity program, the LSEG Foundation. This included essential items for school, such as pens, notebooks, lanyards and clothing items including t-shirts and hats.

In April the annual residential summer camp took place; an event which brings together all 100 children over three consecutive days at La Perla Centre in the neighboring town of Chupaca. Split into two cohorts to tailor the activities to the younger and older age groups, the camp provides a safe environment for the children, where they can play and take part in activities designed to develop their soft skills such as active listening, assertive communication, and practicing empathy, teamwork and solidarity. This important initiative will continue to run annually.

Our Family Support workers introduced further education workshops for parents, focusing on financial management and budgeting for the household.

For the children, a workshop on the prevention of sexual abuse was run, educating them on abusive behaviors and giving them the confidence to speak out.

Throughout the year, we continued to provide core necessary items to the children and families:

- Over 300 food packages
- 160 shared lunches
- 120 winter blankets
- 120 school supply kits
- 300 pairs of shoes
- 240 summer jackets
- 120 winter jackets

Future developments

As highlighted in previous reports, the future of fundraising is changing with a reluctance, especially amongst the younger demographic, to commit to long-term giving. As a result, the Trustees have been exploring new ways to raise funds. Activities have included business engagement resulting in large one-off donations, family photoshoots and sporting events. We have collaborated with other charities operating in Peru, increasing our profile amongst new channels of communications to encourage donations.

Public Benefit Requirement

The Trustees have complied with the duty in Section 17(5) of the Charities Act 2011 to have regard to the guidance published by the Charity Commission concerning the public benefit requirement. Approval: All approvals have been given remotely via email or internet.

PCT Trustees and Personnel

The PCT Trustees are as follows:

Mr. David Reynaga (acting Chair)
Mr. Andres Reynaga
Mrs. Gillian Coe
Mr. Carlos Troncoso
Miss. Catherine Hennessy

The PCT Treasurer is Mrs. Janet Booker.

The PCT Auditor/Examiner is Petya Todorova, Senior Accountant, RDP Accountants.

David Reynaga
April 2024

Charity No. 1063976

THE PERU CHILDREN'S TRUST

Financial Accounts
Year ended 30 June 2023

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE PERU CHILDREN'S TRUST
FOR THE YEAR ENDED 30TH JUNE 2023

I report on the accounts of the Trust for the year ended 30th June 2023 which are set out on the attached pages.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required under section 145 of the Charities Act 2011 (the Act) and that an independent examination is needed.

It is my responsibility to

- examine the accounts under section 145 of the 2011 Act,
- follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145 (5) (b) of the Act, and
- 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. 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 the examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Petya Todorova MAAT
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THE PERU CHILDREN'S TRUST
Registered Charity No. 1063976

RECEIPTS AND PAYMENTS ACCOUNT
Year Ended 30th June 2023
UK

	30.6.23		30.6.22	
	£	£	£	£
RECEIPTS				
<u>Donations:</u>				
Sponsorship of Children	53,609		37,985	
General Gifts	6,663		4,751	
Salaries	2,376		2,472	
Special project	-		638	
Total	<u>62,648</u>			45,846
SAVINGS ACCOUNT Interest	65			
Total Receipts		62,713		
PAYMENTS				
Funds transferred to Peru	71,485		57,567	
Bank Charges	200		200	
Expenses			16	
Total Payments		<u>71,685</u>		<u>57,783</u>
Net Deficit for period	-	8,972	-	11,937
Bank Accounts				
Bank current account balance b/f		13,214		25,150
Bank savings account balance b/f		7,037		7,028
		<u>20,251</u>		<u>32,178</u>
Bank current account balance c/f		4,177		13,214
Bank savings account balance c/f		7,102		7,037
Total Assets		<u>11,279</u>		<u>20,251</u>

STATEMENT OF ASSETS & LIABILITIES at 30TH JUNE 2023

	30.6.23	30.6.22
	£	£
ASSETS	11,279	20,251
	<u>11,279</u>	<u>20,251</u>

THE PERU CHILDREN'S TRUST

RECEIPTS AND PAYMENTS ACCOUNT

PERU

	30.6.23		30.6.22	
	£	£	£	£
RECEIPTS				
Funds transferred to Peru by the Trust	71,485		57,567	
Less difference due to exchange (estimated)	<u> </u>		<u>2,500</u>	
		71,485		55,067
 PAYMENTS				
Child Support	32,217		28,556	
General projects	14,030		10,244	
Salaries	<u>15,966</u>		<u>12,936</u>	
		<u>62,214</u>		<u>51,736</u>
 Surplus for year		9,271		3,331
 Funds held in Peru (01/07/23)		9,271		468
 Surplus for year (as above)		<u>9,271</u>		<u>3,331</u>
 <u>Surplus for year</u>		<u>9,271</u>		<u>3,799</u>

The Peru Children's Trust (UK)
Year ended 30th June 2023
Income

Month	Children	X + B	General	Salaries	Total
July	2,919.18		868.66	198.00	3,985.84
Aug	2,522.68	111.91	40.00	198.00	2,872.59
Sept	2,619.59		40.00	198.00	2,857.59
Oct	2,559.59	755.00	959.26	198.00	4,471.85
Nov	3,069.74	597.22	107.22	198.00	3,972.18
Dec	8,599.59	1,414.40	40.00	198.00	10,251.99
Jan	3,389.59		933.65	198.00	4,521.24
Feb	2,639.59	100.00	40.00	198.00	2,977.59
March	13,144.59		40.00	198.00	13,382.59
April	2,534.59	10.00	3,492.41	198.00	6,235.00
May	3,430.17	200.00	40.00	198.00	3,868.17
June	2,991.09		62.21	198.00	3,251.30
	50,419.99	3,188.53	6,663.41	2,376.00	62,647.93
			check	62,647.93	
	50,419.99				
	3,188.53				
	53,608.52				

Expenditure	Trans to Peru	Bank Charges	Air fare to Peru	Paypal	Total
July					
Aug	5,638.26	20.00			5,658.26
Sept					
Oct	8,064.22	20.00			8,084.22
Nov	3,504.19	20.00			3,524.19
Dec	13,941.21	20.00			13,961.21
Jan	7,969.65	20.00			7,989.65
Feb					
Mar	15,153.80	40.00			15,193.80
Apr					
May	12,610.88	40.00			12,650.88
June	4,602.91	20.00			4,622.91
	71,485.12	200.00	-	-	71,685.12

The Peru Childrens Trust
Year ending 30th June 2023

Bank Account		July 2022 to June 2023	
DR		CR	
1/7/22 b/f	13213.71		
Income	62,647.93	Expenditure	71,685.12
		Bal 30/6/23	4,176.52
	75,861.64		75,861.64

Savings Account	Balance	01/07/2023	7,037.12
	Interest added	05/04/2023	49.53
	Interest added	05/10/2022	15.77
	Total		7,102.42

The Peru Childrens Trust
Year ending 30th June 2023
Funds Spent in Peru

Month	Children	General	Salaries	Paypal	Total
July	1344.06	742.32	1789.94		3,876.32
August	2064.85	2136.98	1325.8		5,527.63
Sept	108.3	395.86	983.93		1,488.09
Oct	4,449.32	366.77	1,144.69		5,960.78
Nov	1,903.16	1,202.03	1,868.77		4,973.96
Dec	9,261.48	1,041.36	1,825.94		12,128.78
Jan		1,958.31	1,272.90		3,231.21
Feb		2,901.16	1,063.60		3,964.76
March	2,986.97	422.00	1,509.14		4,918.11
April	5,912.23	832.39	1,183.76		7,928.38
May	12.45	993.30	1,495.38		2,501.13
June	4,174.64	1,037.81	502.53		5,714.98
Total	32217.46	14030.29	15966.38		62214.13

62214.13