



CHILD RESCUE NEPAL

Trustees' Report and Financial Statements for the year ended 31 July 2023

REGISTERED CHARITY NUMBER: 1078187

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CHILD RESCUE NEPAL

CHARITY INFORMATION

TRUSTEE

Child Rescue Nepal Limited

CHIEF EXECUTIVE

Joanna Bega

CHARITY NUMBER

1078187

CHARITY OFFICE

Beulah Family Church
Beulah Crescent
Croydon CR7 8JL

WEBSITE

www.childrescuenepal.org

BANKERS

CAF Bank
25 Kings Hill Avenue
West Malling
Kent ME19 4JQ

INDEPENDENT EXAMINER

Oliver Warne FCA
Cottons Group
Studio 4, 224 Shoreditch High Street
London E1 6PJ

ACCOUNTANTS

Charity Accounting Services Limited
SPACES
6 Sutton Plaza, Sutton
London SM1 4FS

CHILD RESCUE NEPAL

Report of The Trustees for the year ended 31 July 2023

The Directors of the Corporate Trustee are pleased to present their report together with the financial statements of the charity for the year ended 31 July 2023. Legal and administrative information set out on page 1 forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011, the Charities Statement of Recommended Practice (second edition) and the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102).

ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Child Rescue Nepal (CRN) is a UK charity constituted by a Declaration of Trust on 27 September 1999, with charity registration number 1078187. The Trust is governed by a corporate body, Child Rescue Nepal Limited, which was incorporated on 8 June 2012.

The following served as Directors of Child Rescue Nepal Limited throughout the year other than as shown below:

Mr. D. Webber – Chair (resigned 5 December 2023)
 Mr D. Westgate (appointed Chair 5 September 2023)
 Mr. J. Pow (Treasurer)
 Mr P. Banwell
 Ms K. Bhamra (resigned 28 October 2023)
 Mrs S. Cutts (nee Budhathoki)
 Mr. N. Sankey (resigned 4 July 2023)
 Mr A. Devichand (appointed 25 April 2023)
 Mr J. Karki (resigned 18 October 2023)
 Miss J. Lee
 Mr D. Nicholls
 Ms L. O'Doherty (appointed 5 December 2023)

Although the individuals named above are Directors of the Corporate Trustee, they are referred to as Trustees in this report. New Trustees are recruited through open recruitment as well as through personal contacts of the Trustees and other supporters of the Trust. It is intended that the Trustees bring a range of skills to the charity and provide guidance on issues including child protection, finance, fundraising and human resource management. These skills are reviewed annually. All new Trustees receive an induction at the CRN offices which is supplemented with support materials. Trustees are encouraged to visit the charity's projects in Nepal, when possible, with at least one Trustee making a visit each year.

The Trustees have met every two months during the year – alternating between remote and in person. Decisions are taken by majority vote, with the Chairman holding a casting vote; in practice, decisions are unanimous.

CRN'S offices have moved from central London to Croydon (change of address registered 11 November 2023), where the charity is administered, and fundraising activities are coordinated. For the entirety of this accounting period the Chief Executive of the charity, Joanna Bega, worked full time, supported by a part-time Administrator/Fundraiser.

CRN works in Nepal through its operational office, the iNGO, CRN (Nepal branch), which exists under a renewable five-year agreement with the Government of Nepal.

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Report of The Trustees for the year ended 31 July 2023

Our Country Director, Jamuna Shrestha, left the organisation in October 2023 and has been replaced by Bhaskar Karki. Bhaskar conducts the operational activities of the Trust and manages staff in our Nepal office. Bhaskar is in regular contact with the CEO in the UK by email and weekly calls. Normally, the CEO visits Nepal twice a year to support staff, visit the charity's operations and report to the Trustees.

CRN (Nepal branch) exists to support autonomous 'implementing partner' NGOs. During this reporting period, this has been the Esther Benjamins Memorial Foundation, Shakti Samuha and Chora Chori, who are all based in Kathmandu. Whilst most of our programme work in Nepal is carried out by EBMF, we have worked in partnership with Shakti Samuha since March 2018 to run a Safe House for rescued girls and formed a partnership with Chora Chori to rescue children from India in November 2021.

EBMF also has a branch office in Hetauda, Makwanpur District. This district has been a main child trafficking area and the Hetauda office serves as an invaluable local presence in the fight against trafficking. Kathmandu and Hetauda are also the locations of EBMF's care homes for children.

CRN continues to provide support to the Miteree Foundation, a small NGO also based in Kathmandu, Nepal.

OBJECTIVES AND ACTIVITIES

CRN's objectives as set out in the Declaration of Trust are to provide relief to children and young people directly or indirectly anywhere in the world who are in conditions of need, hardship or distress (beneficiaries) in such a way as the Trustees think fit. For the time being this objective is interpreted as being children who are Nepali.

The main activities undertaken in relation to those purposes

Our work in Nepal is delivered through three partner organisations – the Esther Benjamins Memorial Foundation (EBMF), Shakti Samuha (SS) and Chora Chori (CC). Working through our partners, we have the following aims: -

1. Conduct rescue operations where vulnerable children are identified as having been trafficked and engaged as child labourers, and temporarily house these children in one of two safe houses while we trace their families.
2. Reintegrate children with their family, and provide their families with a comprehensive, long-term package of post-integration support.
3. Provide longer term care to children who cannot safely return to their homes.
4. Support older rescued children through a transition programme to become independent adults through education, vocational training and tailored outreach support.
5. Conduct research, give victims of child trafficking a voice, share learning and collaborate with like-minded organisations to undertake evidence-based advocacy and government capacity building on child trafficking and child labour issues.
6. Keep vulnerable children safe in schools through funding the improvement of basic facilities and giving other educational support to prevent at-risk children dropping out.
7. Raise awareness of child trafficking, child labour and child slavery among at-risk rural communities.

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Report of The Trustees for the year ended 31 July 2023

ACHIEVEMENTS AND PERFORMANCE

1. Conduct rescue operations where vulnerable children are identified as having been trafficked and engaged as child labourers, and temporarily house these children in one of two safe houses while we trace their families.

In July 2016 we established our Safe House (transit home) in Kathmandu. This is a place where newly rescued boys stay for approximately six months. Here they receive medical attention, nutritious food, warm clothes and education while we trace their families. We then develop and deliver a tailored support package for each family. Children who are unable to return home safely, and who are at high risk of being re-trafficked, are given longer term places at one of our small family-style homes.

In March 2018, we established our second Safe House in Kathmandu, called Marigold House. This is run by our local partner, Shakti Samuha, and is exclusively for girls who have been rescued from sexual exploitation. In addition to specialised emotional support, girls at Marigold House learn practical skills such as self-defence and textile weaving. Where possible, girls are encouraged to restart their education.

Over the course of the year, we rescued twenty-four children (thirteen boys and eleven girls). Preceding each rescue, our teams carry out covert observations. A multi-agency meeting is then called. Once a rescue is authorised, it is carried out in the presence of local police, social workers and government officials.

In September and December of 2022, with our longstanding partner EBMF, we rescued three boys who were working in a restaurant. In January 2023, we rescued six girls from hotels and restaurants, and in June 2023 we rescued one boy from domestic child labour.

One of our partners, Shakti Samuha, rescued three girls who were being sexually exploited in bars, and our other partner, Chora Chori, rescued eight Nepali boys who had been trafficked to India.

In January 2023, we undertook a joint rescue with our partners EBMF and Shakti Samuha, and rescued two girls and a boy from an exploitive domestic child labour situation.

Case study: Raajan

Raajan's childhood was overshadowed by instability. His father departed when he was four, and his mother's subsequent marriage proved short-lived, filled with constant tension. Raajan's only memories of this period are constant arguments and shouting between his parents.

Seeking a better life, Raajan's mother moved to Kathmandu when he was eight. Initially, things were brighter. Raajan enjoyed attending a private school until grade three and recalls fond memories of friends and playtime. However, his life shifted dramatically when his mother started drinking, became an alcoholic and stopped working.

With mounting school fees left unpaid, Raajan was abruptly withdrawn from school and left largely unsupervised at home. At just eleven, his mother placed him to work as a cleaner in a small roadside restaurant. He toiled from dawn to dusk, sweeping, mopping, cleaning dishes, and assisting the owner – all for meagre wages which his mother spent on alcohol. He endured harsh words and abuse for any misstep.

Fortunately, a local government officer discovered Raajan's plight and alerted our organisation. Our team promptly acted, verifying the information and collaborating with local authorities and the labour

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Report of The Trustees for the year ended 31 July 2023

department to rescue Raajan. At twelve years old, he was finally free from exploitation.

Raajan found safety in our care, receiving medical attention, counselling, clothes and a comfortable bed. After six months in our temporary shelter, guided by counselling and home assessments, he was moved to our long-term care home.

Today, Raajan is thriving in grade seven, displaying genuine dedication and diligence in his studies. His teacher testifies, "He completes all homework promptly, actively participates in class and embraces extra-curricular activities." Raajan has rekindled his passion for dance, taking lessons at school. He shines on stage, confidently participating in school and community cultural programs, including the recent National Children's Day celebration.

Raajan reflects on his journey, "My life feels like a dream now. No more early mornings scrubbing dishes. I have friends to play with, delicious food to eat, and a comfortable place to sleep. My house parents are supportive and encouraging. They take us swimming, to the cinema and to the zoo. We also celebrate festivals together. It's wonderful."

2. Reintegrate children with their family, and provide their families with a comprehensive, long-term package of post-integration support.

Out of the twenty-four children rescued this year, eight boys and two girls have been reintegrated successfully with their families. Three boys and one girl were referred to other approved Nepali organisations. Ten children are in our transit homes; eight girls are in Marigold House while two boys now live in EBMF's safe house.

In total, ten girls are currently living in Marigold House, as reintegrating girls is challenging due to the stigma associated with working in the sex industry. However, we are in touch with their families and hope that in some cases reintegration may still be possible. If it is not, we will continue to support the girls into adulthood and independence.

We believe that the best place for children is with their families, which is why we continue to trace families and pave the way for children to return home safely even if they have been in our care for many years. We continue to offer monthly financial support to eight children who are back home and living with their families, and one previously rescued child for their education costs only. We also supported siblings of reintegrated children by providing school uniform, stationery and clothes. We supported six additional children in this way.

3. Provide longer-term care to children who cannot safely return to their homes.

Since our founding in 1999 we have rescued over 950 children, with the majority successfully returned to their families. A small number of children who cannot currently go home – due to child protection issues or difficulties in tracing their family – live in small, family-style homes in Kathmandu and Hetauda. During their stay with us, meaningful and regular family contact is fully encouraged and supported.

We used to have two long-term care homes (one for girls and one for boys) each with a 12-bed capacity, to ensure that every child receives a high level of care and attention. However, we regard institutional care as the last resort and have developed a thorough process to reunite children with their families where possible. In line with our strategy, this year we closed our girls' home in Hetauda as it was no longer needed. Therefore, we now have only the boys' care home, situated in Lalitpur.

We also have a halfway house for boys with a six-bed capacity and in June 2022 opened a new

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six-bed halfway house for girls. Over the course of the year, we supported thirteen children in our care homes, out of which four children then moved into one of our halfway houses. We ensure that every child receives an education, and we continue to support them as they turn sixteen, offering vocational training or further education to enable them to achieve a fully independent adulthood.

4. Support older rescued children through a transition programme to become independent adults through education, vocational training and tailored outreach support.

Through our Youth Transition Programme, we are helping rescued young people to achieve independence through attending further education or vocational skills training. We pay their enrolment fees and support them with a basic grant. For young people who are living outside of their family – either in a government-run training hostel or independent accommodation – we pay for their accommodation, food and medical expenses. We also support young people in finding safe accommodation and visit them regularly to provide ongoing support throughout the duration of their course.

We are currently supporting twenty-nine young people in higher education and seven in vocational training. In the past year, ten young people have graduated from the programme and are now in full time, paid employment.

Our Halfway Homes (opened October 2020 for boys, and June 2022 for girls) continue to be vital additions to our provision. They bridge the gap between living in a care home and moving into fully independent housing. Our rented apartments in Kathmandu can accommodate, separately, six boys and six girls at any one time. Following the success of our Halfway Homes for boys and girls in Kathmandu, we are planning to open a similar one for girls in Hetauda in November 2023. Over the course of the year, we have directly supported fourteen young people through our halfway houses.

Case study: Ojas

Ojas's life was turned upside down when his father passed away, leaving his mother to care for four children. The family struggled to make ends meet, and Ojas was forced to drop out of school and sell cosmetics on the streets to support his family.

One day, Ojas's relatives promised him a better life in India, but their promises were empty. Ojas ended up working in a motorcycle garage, where he was subjected to beatings and verbal abuse. He eventually ran away and found work in another garage, but he was again mistreated.

With nowhere to go, Ojas found himself homeless, living on the steps of a temple. When the priest threatened to send him to jail for allegedly stealing statues, Ojas turned to the police for help. The police, however, placed him in a care home in India.

Ojas's life changed for the better when he was rescued with the support of Child Rescue Nepal. He was repatriated from India and stayed at our Halfway Home for boys and enrolled in a one-year General Mechanic course. Ojas completed the training with flying colours and landed a job at Shakya Engineering in Bhaktapur district. He is now earning a good salary and living independently. His employers are impressed with his work ethic and dedication.

Ojas is grateful to Child Rescue Nepal for giving him the opportunity to change his life. "I am optimistic about my future," he says. "I am confident that I can support my family financially. Thank you for helping young people like me."

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Report of The Trustees for the year ended 31 July 2023

5. Conduct research, give victims of child trafficking a voice, share learning and collaborate with like-minded organisations to undertake evidence-based advocacy and government capacity building on child trafficking and child labour issues.

Our main partner, EBMF, plays an active part in two networking groups. The first is a Makwanpur-based group that fights human trafficking. This organisation routinely organises coordination meetings and exchanges information about issues pertaining to human trafficking. As a network member, we took part in several anti-trafficking campaigns that included seminars and demonstrations. The programmes we participated in included World Day against Trafficking in Persons, 16 days of activism against gender-based violence and other initiatives pertaining to child labour issues.

Lalitpur district's Alternative Care Working Group is the second network we are involved with. There are fifteen organisations in this group that follow internationally accepted childcare practices. This group works on the issues and challenges faced by children and emphasises that where possible, children should be with their families and institutional care should be a last resort. Meetings are conducted every quarter to discuss challenges and to develop alternative care policies while maintaining close relations with the National Child Rights Council. Our partners also participated in a two-day International Conference on Alternative Care for Children in Asia. The conference highlighted good practices that are being followed for alternative childcare (alternatives to institutionalisation) in various countries in Asia.

During this period, EBMF were also involved in organising a mock municipal assembly for our children. The objective of the mock assembly was to provide practical knowledge and information on how municipal and council assemblies are conducted. During the programme, through role-play activity, the children learnt not just about various roles and responsibilities but also how decisions are made.

At the annual Children's Day programme, organised by the National Child Rights Council, our young people and children performed, danced and recited poems to raise awareness on children's rights. Our partner also took part in several conferences and workshops organised by the Social Welfare Council, Lalitpur Municipality and the National Child Rights Council.

We continue to collaborate with a local ward office in Chandragiri Municipality to help them ensure their ward is a child labour free zone.

6. Keep vulnerable children safe in schools through funding the improvement of basic facilities and giving other education support to prevent at-risk children dropping out.

Over the course of the year, we trained 55 teachers in child-friendly teaching methods, leading to brighter classrooms, more tailored learning programmes, a renewed focus on children with special needs and an end to teachers beating children.

"Since receiving the training, our teaching methods have changed. When we were young, our teachers used to carry sticks to discipline the class, but these days teachers arrive at the classroom prepared with innovative teaching strategies, carrying maps, charts and other learning materials. As a result, there's a visible difference in students' learning environments. Pupils are motivated to study, and they are well-behaved too. Sarad Kumar Adhikari" – Teacher in Manahari

"We had the misconception that we should buy teaching materials to make our classroom attractive and to create a more engaging learning environment. However, after completing the training, we understood that we could create less expensive teaching materials using the local resources that are readily available

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Report of The Trustees for the year ended 31 July 2023

to us, and students could also be given the chance to understand the value of local resources. This, in my opinion, is the training's finest component." Bidur Prashad Adhikari – Teacher at Bramhakali Primary School

We provided WASH training (Water, Sanitation and Hygiene) to 20 teachers and taught 300 peer educators so they could pass the learning onto their friends and communities. We provided 1,746 hygiene kits to improve the personal hygiene of children and to help them stay safe and healthy.

"It was very difficult to use rags and old clothes as a pad while I was menstruating, but I had no other choice. Since our school didn't have a proper toilet with running water, I used to always miss a few school days every month because I was scared of staining my uniform. However, now I'm very happy and confident to attend school even when I'm menstruating as have a reusable sanitary pad in the hygiene kit provided by CRN/EBMF. I'm not concerned about skipping lessons anymore." – 14-year-old-girl from Shankar Lower Secondary School

We supported five community schools by equipping early years classrooms and setting up libraries, benefitting a total of 436 children.

We provided 1,096 educational bursaries to at-risk students to encourage them to attend and remain in school. The bursaries include books, pens, calculators and school bags. We also provided warm jumpers to 851 children to keep them warm in the cold winter.

We built 12 new sets of child-friendly taps, 11 new child-friendly toilets (separate for girls and boys) and four new classrooms. These new construction projects have benefitted 3,138 students, and many more in the years to come.

Case Study: Ranesh

I live in a remote village in Raksirang village in Makwanpur district and study in grade 6 at Kalika Secondary School. There are nine members in my family, including my father, mother, and grandmother. Our family's financial condition is very weak and sometimes we even struggle to get two meals in a day.

My father was unable to provide us with school uniform and stationery, so after completing grade 5, I took a four-month break from my studies and stayed at home. During this period, my father and older brothers started making plans to send me to work in a carpet factory in Kathmandu. As there were many needs in my family, I was excited to leave my village for work and support my family financially.

This news reached my school and immediately the headmaster visited our house. The headmaster explained to my parents the problems and risks I might face in the city and also informed them that it is illegal to work at my age. He also assured us that he will reach out to Child Rescue Nepal to find support to cover my school uniform and stationery expenses. I am now in the bursary support programme and am happy to be back at school.

7. Raise awareness of child trafficking, child labour and child slavery among at-risk rural communities.

We delivered anti-trafficking awareness-raising activities among parent groups in the district of Makwanpur, attended by 501 people. The sessions highlighted the risk posed to children by traffickers luring them away from their families with the promise of marriage and work opportunities, who instead sell them at the earliest opportunity.

We continue to broadcast daily anti-trafficking radio jingles in two languages (Nepali and Chepang), ensuring the message reaches approximately 100,000 people in Makwanpur and the

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Report of The Trustees for the year ended 31 July 2023

neighbouring districts each year.

Fundraising activities during the year

The charity relies on gifts from generous individuals and grants from a range of trusts, whose support is greatly valued. We are also grateful for the generosity of our long-term partner, Namaste UK, as well as several employee-related donations from Bloomberg. As an adjustment following COVID-19, the London Marathon was held in October 2022. We had eight runners and they raised £15,000. We also raised £30,000 from the Big Christmas Give in December 2022, £7,000 from the Nuts Challenge in March 2023 and £15,000 from our summer appeal for halfway houses for girls.

PUBLIC BENEFIT

The Trustees have given due regard to the guidance on public benefit published by the Charity Commission and always make this a consideration when discussing and authorising proposed activities.

CRN carries out a range of activities in support of our charitable aims. The Trustees consider these activities, summarised below, to have made a proven difference to the beneficiaries of the charity – namely vulnerable children and communities in Nepal – through:

- Rescuing 'at-risk' children from dangerous and abusive situations
- Caring for 'at-risk' children and providing them with a safe and healthy living environment
- Providing a transition programme for 16–18-year-olds to help them achieve job skills and independence
- Raising awareness of trafficking in rural communities to keep children safe
- Distributing bursaries to children who otherwise couldn't afford to attend school

FINANCIAL REVIEW

The financial position of the charity at 31 July 2023 and comparatives for the prior year, as more fully detailed in the accounts, are summarised as follows:

	2023 £	2022 £
Net Income	(259)	(50,285)
Unrestricted funds available for the general purposes of the charity	291,285	274,234
Restricted funds	13,199	30,509
Total funds	304,484	304,743

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Report of The Trustees for the year ended 31 July 2023

Financial review of the position at the reporting date, 31 July 2023

Income for the year was £501,769 compared to £434,517 in 2022. This income was made up of restricted income of £197,324 and unrestricted income of £304,445.

Expenditure for the year was £502,028 compared to £484,802 in 2022.

The Trustees consider the financial performance by the charity during the year to have been satisfactory given the challenging economic circumstances for small charities.

INVESTMENT POWERS

Under the Trust Deed the charity has the power to make any investment which the Trustees see fit.

RESERVES

The Trustees policy is to hold three months UK costs and six months Nepal costs on the understanding that this would provide adequately for children in the care of the charity. At the moment this figure stands at £168,000.

In view of the number of children involved, the Chief Executive is required to formally notify Trustees if free reserves fall below £200,000 so they can consider if any remedial action is necessary.

Included within unrestricted funds at 31 July 2023, the Trustees have also designated £15,000 for currency fluctuations and £30,000 for future rescue operations.

RISK MANAGEMENT

The Trustees actively review the major risks which face the charity on a regular basis, with a Risk Assessment report available online and highlighted at every Trustee meeting. They believe that maintaining reserves at adequate levels, combined with an annual review of the controls over key financial systems will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the charity and believe that the systems in place to mitigate significant risks offers the Trust adequate protection.

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Report of The Trustees for the year ended 31 July 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- ☐ select suitable accounting policies and apply them consistently
- ☐ observe the methods and principles in the Charities SORP
- ☐ make judgements and accounting estimates that are reasonable and prudent
- ☐ state whether applicable UK accounting standards 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 presume that the charity will continue to operate

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the statutory and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board on 17 April 2024 and signed on its behalf

David Westgate

David Westgate
Chair of the Trustees

CHILD RESCUE NEPAL

Independent Examiner's Report of The Members of Child Rescue Nepal

I report to the Trustees on my examination of the financial statements of Child Rescue Nepal ('the charity') for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's Trustees, as a body, in accordance with section 145 of the Charities 2011. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work, for this report, or for the opinion I have formed.

Responsibilities and basis of report

As the charity's Trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of your charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the Act.


An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statement to be reached.



Oliver Warne FCA
Cottons Group
Studio 4, 224 Shoreditch High Street
London
E1 6PJ

Date: 17 April 2024

CHILD RESCUE NEPAL**Statement of Financial Activities
for Year Ended 31 July 2023**

	Notes	Unrestrict ed funds £	Restricted funds £	2023 Total £	2022 Total £
INCOME					
Donations and legacies	5	265,726	197,324	463,050	414,918
Activities in generating funds	5	34,984	-	34,984	18,758
Investment income	5	3,535	-	3,535	250
Other income	5	200	-	200	591
TOTAL INCOME		304,445	197,324	501,769	434,517
EXPENDITURE					
Raising funds	6a	56,300	-	56,300	45,092
Charitable activities	6b	231,094	214,634	445,728	439,710
TOTAL EXPENDITURE		287,394	214,634	502,028	484,802
NET INCOME/(EXPENDITURE) FOR THE YEAR		17,051	(17,310)	(259)	(50,285)
Transfer between funds		-	-	-	-
NET MOVEMENT IN FUNDS		17,051	(17,310)	(259)	(50,285)
TOTAL FUNDS BROUGHT FORWARD		274,234	30,509	304,743	355,028
TOTAL FUNDS CARRIED FORWARD		291,285	13,199	304,484	304,743

CHILD RESCUE NEPAL**Statement of Financial Activities
for Year Ended 31 July 2023****Prior year SOFA Analysis**

	Notes	Unrestrict ed funds £	Restricted funds £	2022 Total £	2021 Total £
INCOME					
Donations and legacies	5	241,470	173,448	414,918	469,499
Activities in generating funds	5	14,158	4,600	18,758	12,420
Investment income	5	250	-	250	38
Other income	5	591	-	591	4,561
TOTAL INCOME		256,469	178,048	434,517	486,518
EXPENDITURE					
Raising funds	6a	45,092	-	45,092	40,655
Charitable activities	6b	250,106	189,604	439,710	399,047
TOTAL EXPENDITURE		295,198	189,604	484,802	439,702
NET INCOME/(EXPENDITURE) FOR THE YEAR		(38,729)	(11,556)	(50,285)	46,816
Transfer between funds		-	-	-	-
NET MOVEMENT IN FUNDS		(38,729)	(11,556)	(50,285)	46,816
TOTAL FUNDS BROUGHT FORWARD		312,963	42,065	355,028	308,212
TOTAL FUNDS CARRIED FORWARD		274,234	30,509	304,743	355,028

CHILD RESCUE NEPAL**Balance Sheet
as at 31 July 2023**

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible fixed assets	8	-	3
CURRENT ASSETS			
Debtors	9	1,532	4,134
Cash at bank and in hand		<u>307,588</u>	<u>305,179</u>
		309,120	309,313
CREDITORS:			
Amounts falling due within one year	10	<u>(4,636)</u>	<u>(4,573)</u>
NET CURRENT ASSETS		304,484	304,740
NET ASSETS		<u>304,484</u>	<u>304,743</u>
FUNDS OF THE CHARITY			
Restricted funds	11	13,199	30,509
Unrestricted funds	11	291,285	274,234
TOTAL CHARITY FUNDS		<u>304,484</u>	<u>304,743</u>

Approved by the Trustees and signed on their behalf on 17 April 2024 .

David Westgate

David Westgate
Chair of the Trustees

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements 2022-23

1. ACCOUNTING POLICIES

a. **Basis of preparation of accounts**

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these financial statements. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b. **Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised once received. In the event that a donation is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Trust and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank.

c. **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attached to that grant is outside of the control of the charity.

d. **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Notes to the Financial Statements 2022-23

e. Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examiner's fee together with other overhead costs.

f. Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation. Cost includes all costs expended in bringing the assets into their intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual values over the period of their useful lives.

Office equipment: 25% straight line

g. Support costs

Support staff salary costs are allocated as appropriate to Charitable Activities as shown therein.

h. Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Short term debtors and creditors:

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities in 'administrative expenses.'

Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and in hand.

Offsetting:

Financial assets and liabilities are offset, and the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

i. Fund structure

The charity has a single permanent fund. The terms of the Trust Deed allow the income to be accumulated and the capital to be spent if the Trustees so determine.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or Trust Deed.

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, wish to create a fund for a specific purpose.

j. Judgements and key sources of estimation uncertainty

There are no judgements or estimates that have been made in the process of applying the above accounting policies.

2. LIABILITY TO TAXATION

The charity is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs in the Statement of Financial Activities.

Notes to the Financial Statements 2022-23**3. WINDING UP OR DISSOLUTION OF THE CHARITY**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 NET INCOME/(EXPENDITURE) FOR THE YEAR

	2023	2022
	£	£
Net income/(expenditure) for the year is stated after charging:		
Depreciation	3	261

5 ANALYSIS OF INCOME

	Unrestricted funds	Restricted funds	2023 Total	2022 Total
	£	£	£	£
Incoming resources from generated funds				
Voluntary income:				
Public donations including Gift Aid	141,451	50,654	192,105	153,961
Corporate donations	44,006	5,256	49,262	31,054
Child sponsorship	17,664	-	17,664	18,296
Grants received	42,414	141,414	183,828	192,128
Legacies	20,191	-	20,191	19,479
	265,726	197,324	463,050	414,918
Activities for generating funds:				
Events	34,984	-	34,984	18,758
Investment income	3,535	-	3,535	250
Other income	200	-	200	591
	38,719	-	38,719	19,599
Total Income	304,445	197,324	501,769	434,517

Notes to the Financial Statements 2022-23

6 ANALYSIS OF EXPENDITURE

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
a. Raising funds				
Staff salaries and wages	36,898	-	36,898	33,826
Fundraising, publicity and marketing	16,088	-	16,088	9,878
Other fundraising activities	3,314	-	3,314	1,388
Total fundraising costs	56,300	-	56,300	45,092
b. Charitable activities				
Governance costs				
Staff salaries and wages	3,274	-	3,274	3,210
Independent examiner's fee	2,400	-	2,400	2,400
Meeting cost	21	-	21	-
	5,695	-	5,695	5,610
Project costs				
Staff salaries and wages	29,461	-	29,461	28,887
Monitoring and support	3,883	-	3,883	3,231
Nepal project costs	147,457	214,634	362,091	368,310
	180,801	214,634	395,435	400,428
Support costs				
Staff salaries and wages	16,654	-	16,654	6,923
Other employee costs	1,350	-	1,350	844
Premises expenses	4,535	-	4,535	3,120
Office costs and administrative overheads	2,556	-	2,556	3,354
Professional fees and insurance	16,356	-	16,356	17,057
Bank charges	3,144	-	3,144	2,113
Depreciation	3	-	3	261
	44,598	-	44,598	33,672
Total expenditure on charitable activities	231,094	214,634	445,728	439,710

Notes to the Financial Statements 2022-23**7 STAFF COSTS**

	2023 £	2022 £
Wages & Salaries	79,487	67,398
Social Security Costs	3,296	2,445
Pension Cost	3,504	3,003
	<u>86,287</u>	<u>72,846</u>
	2023	2022
Staff Numbers (average number of staff)	<u>2</u>	<u>2</u>

One employee received a salary in excess of £60,000, in the current year (2022: one).

Trustees were not paid remuneration in either period. No trustee received reimbursed expenses in the year (2022: nil).

Key management personnel include the Trustees and the Chief Executive. The total employee benefits (including gross pay and employer national insurance contributions) of the charity's key management personnel were £66,925 (2022: £65,824). Pension contributions paid by the company for key management personnel totalled £3,504 (2022: £3,003). Excluding the trustees there was one key management personnel (2022: one) that received remuneration during the year.

8 TANGIBLE FIXED ASSETS

	Office equipment £
Cost	
At 31 July 2022	1,920
Disposal	(200)
At 31 July 2023	<u>1,720</u>
Depreciation	
At 31 July 2022	1,917
Disposal	(200)
Charge for the year	3
At 31 July 2023	<u>1,720</u>
Net book values	
At 31 July 2023	<u>-</u>
At 31 July 2022	<u>3</u>

Notes to the Financial Statements 2022-23

9 DEBTORS

	2023 £	2022 £
Prepayments and accrued income	1,502	4,104
Other debtors	30	30
	1,532	4,134

10 CREDITORS: Amounts falling due within one year

	2023 £	2022 £
Accruals	3,780	3,654
Other creditors	856	919
	4,636	4,573

11 FUND RECONCILIATION

	At 31.7.2022 £	Income £	Expenditure £	Fund Transfer £	At 31.7.2023 £
Unrestricted Funds					
Unrestricted free reserve	229,234	304,445	(287,394)	-	246,285
Designated					
Currency fluctuations	15,000	-	-	-	15,000
Future rescue operations	30,000	-	-	-	30,000
Unrestricted total	274,234	304,445	(287,394)	-	291,285
Restricted Funds					
Rebuild Schools	770	8,135	(8,135)	-	770
Guernsey Aid	-	49,563	(44,842)	-	4,721
Marigold House	203	12,430	(12,000)	-	633
Safe in School	7,864	50,295	(57,056)	-	1,103
Teacher Training	2,493	29,952	(29,952)	-	2,493
Miteree Foundation	2,787	5,400	(5,000)	-	3,187
VOC Training Youth	16,392	41,549	(57,649)	-	292
Restricted total	30,509	197,324	(214,634)	-	13,199
Total funds of the charity	304,743	501,769	(502,028)	-	304,484

Notes to the Financial Statements 2022-23**PRIOR YEAR FUND RECONCILIATION**

	At 31.7.2021	Income	Expenditure	Fund Transfer	At 31.7.2022
	£	£	£	£	£
Unrestricted Funds					
Unrestricted free reserve	267,963	256,469	(295,198)	-	229,234
Designated					
Currency fluctuations	15,000	-	-	-	15,000
Future rescue operations	30,000	-	-	-	30,000
Unrestricted total	312,963	256,469	(295,198)	-	274,234
Restricted Funds					
Rebuild Schools	-	16,370	(15,600)	-	770
Guernsey Aid	-	42,482	(42,482)	-	-
Marigold House	1,023	12,380	(13,200)	-	203
Safe in School	11,294	54,070	(57,500)	-	7,864
Teachers Training	2,493	-	-	-	2,493
Miteree Foundation	2,387	5,400	(5,000)	-	2,787
VOC training youth	23,351	47,041	(54,000)	-	16,392
COVID Appeal	1,517	305	(1,822)	-	-
Restricted total	42,065	178,048	(189,604)	-	30,509
Total funds of the charity	355,028	434,517	(484,802)	-	304,743

Restricted Funds**Rebuild Schools**

A fund to construct classrooms in rural Nepal.

Guernsey Aid

Grants from the Guernsey Government to construct toilets and fund hygiene awareness programmes in the district of Makwanpur.

Marigold House

A Safe House for girls who have been rescued from sexual exploitation.

Safe in School

This fund is restricted to activities in rural schools that will increase attendance rates and reduce trafficking, such as midday meal programmes, model classrooms and anti-trafficking workshops.

Teacher Training

We train teachers in child-centred methods to increase engagement and therefore attendance levels.

Miteree Foundation

We support a small charity in Nepal that works with marginalised children from the Chepang community.

Notes to the Financial Statements 2022-23**VOC Training Youth**

Youth Transition Project supporting young people into jobs and independent living.

COVID Appeal

In 2020 we launched an emergency appeal to support communities in Nepal where we already work who were affected by the national lockdown.

Unrestricted Funds:

Within unrestricted funds is a grant from the Alchemy Foundation (£12,500) which has been given as a contribution towards the CEO's salary.

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Represented by:				
Tangible fixed assets	-	-	-	3
Current assets	295,921	13,199	309,120	309,313
Current liabilities	(4,636)	-	(4,636)	(4,573)
	291,285	13,199	304,484	304,743

13. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no contingent liabilities or capital commitments as of 31 July 2023 (2022: none).

14. FINANCIAL INSTRUMENTS

Financial assets that are debt instruments measured at amortised cost comprise other debtors. At the year end, the charity had no liabilities that were classified as financial instruments.

15. RELATED PARTIES

The charity has no ultimate controlling party.

No Trustees, or persons connected with the Trustees, have received any remuneration from the charity. In the opinion of the Trustees there are no related party transactions falling to be disclosed in these accounts.