

**Charity Registration No. 1082344**

**Company Registration No. 03918058 (England and Wales)**

**CHRISTEL HOUSE EUROPE**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

# CHRISTEL HOUSE EUROPE

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Lord Anthony St John Ms Diana Aitchison Mr Paul Baker Mr Dimitris Manikis
<b>Secretary</b>	Elizabeth Taylor
<b>Charity number</b>	1082344
<b>Company number</b>	03918058
<b>Registered office</b>	Hayloft Cottage 15 Richardsons Lane Loddington Northamptonshire NN14 1LD
<b>Independent examiner</b>	Mayfield & Co. 2 Merus Court Meridian Business Park Leicester LE19 1RJ
<b>Bankers</b>	Lloyds TSB Bank Plc 40 The Square Market Harborough Leicestershire LE16 7PE
<b>Solicitors</b>	Withers LLP 16 Old Bailey London EC4M 7EG

---

# CHRISTEL HOUSE EUROPE

## CONTENTS

---

	Page
Trustees report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 11

---

# CHRISTEL HOUSE EUROPE

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

The trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

#### **Objectives and activities**

The charity's objectives are set out in the charity's trust deed and are summarised below.

To help impoverished children around the world break the cycle of poverty and become self-sufficient, contributing members of their societies by means of education, nutrition, health care, life skills development, character formation and community education programmes.

Christel House Schools do not house their students, they continue to live in their very modest homes, but Christel House provides free nutritious meals and free transport to and from the students' communities.

The children remain at school until graduation, normally at 18 years of age, when they either go on to higher education or transition into the workplace to become contributing members of their society. Students are further supported and mentored for up to 5 years post graduation by the College and Careers Program operated by each school.

There are now over 5600 students supported by Christel House Learning Centres throughout the world.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

When planning our activities for the year, we considered the Charity Commission's guidance on public benefit. The focus of activities remains to raise funds to provide support to Christel House Centres around the world as they work to transform the lives of impoverished children through a holistic programme of education and nurture while empowering their families and communities through outreach services.

Christel House Europe solicits and channels donations for the Christel House Centres in India and South Africa. During the year Christel House Europe paid grants totalling £68,165 (2019 £151,126) to Christel House Schools in India and South Africa.

100% of donations directly benefit the children of Christel House. Overhead and fundraising costs are covered by Christel House International Inc.

Through fundraising efforts, the charity will continue to support and provide funding to Christel Houses in India and South Africa.

It is important to understand that third party funds donated through Christel House Europe are forwarded to Christel House India and Christel House South Africa in direct support of programs and services benefiting the children of Christel House. All fundraising, publicity, management and administrative costs incurred by Christel House Europe are funded by Christel House International Inc.

# CHRISTEL HOUSE EUROPE

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### Financial review

The deficit for the year amounted to £11,597 (2019 Deficit: £4,921).

During the year the charity made grants of £44,960 to Christel House South Africa and £23,205 to Christel House India.

Grants made during the year were down on previous years due to the impact on fundraising activities of the Coronavirus pandemic.

Christel House International Inc has undertaken to donate sufficient funds to the company to cover its administrative and fundraising expenses, accordingly, the trustees request funds when required. Therefore the trustees have decided that reserves can be maintained at a relatively low level, due to limited administrative costs incurred.

The trustees have considered the most appropriate policy for investing funds and believe that, with the current level of funds, it is appropriate to hold the money in bank accounts, However as funds grow, alternative investments will be considered to ensure the best return is obtained whilst maintaining risk at a low level.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 28 January 2000, and registered as a charity on 8 September 2000. The company was established under a Memorandum of Association which established the objects and funds of the charitable company and is governed under its Articles of Association.

There are two categories of membership: 'A' and 'B' members. The sole 'A' member is Christel House International Inc. The directors of the company who are also the charitable trustees for the purpose of charity law are 'B' members. In the event of the company being wound up, each member's liability is limited to £1.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Christel DeHaan (Deceased 6 June 2020)

Lord Anthony St John

Ms Diana Aitchison

Mr Paul Baker

Mr Dimitris Manikis

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees report was approved by the Board of Trustees.

#### Ms Diana Aitchison

Trustee

Dated: 26 March 2021

# CHRISTEL HOUSE EUROPE

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF CHRISTEL HOUSE EUROPE

---

I report on the financial statements of the charity for the year ended 31 December 2020, which are set out on pages 4 to 11.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees, who are also the directors of Christel House Europe for the purposes of company law, are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- (iii) 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

David Mayfield FCA  
Mayfield & Co.  
2 Merus Court  
Meridian Business Park  
Leicester  
LE19 1RJ

Dated: 26 March 2021

# CHRISTEL HOUSE EUROPE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
	Notes				
<b><u>Income from:</u></b>					
Donations and legacies	3	23,648	51,409	75,057	138,279
Raising funds	4	-	-	-	41,194
<b>Total income</b>		23,648	51,409	75,057	179,473
<b><u>Expenditure on:</u></b>					
Raising funds	5	2,680	-	2,680	16,468
<b><u>Charitable activities</u></b>					
Management and administration	6	15,809	-	15,809	16,800
Grants expense	6	5,190	62,975	68,165	151,126
<b>Total charitable expenditure</b>		20,999	62,975	83,974	167,926
<b>Total resources expended</b>		23,679	62,975	86,654	184,394
<b>Net expenditure for the year/ Net movement in funds</b>		(31)	(11,566)	(11,597)	(4,921)
Fund balances at 1 January 2020		7,583	11,566	19,149	24,070
<b>Fund balances at 31 December 2020</b>		7,552	-	7,552	19,149

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# CHRISTEL HOUSE EUROPE

## BALANCE SHEET

**AS AT 31 DECEMBER 2020**

		2020		2019	
	Notes	£	£	£	£
<b>Current assets</b>					
Debtors	10	-		14,462	
Cash at bank and in hand		36,830		97,478	
		<u>36,830</u>		<u>111,940</u>	
<b>Creditors: amounts falling due within one year</b>	11	(29,278)		(92,791)	
Net current assets			7,552		19,149
			<u>7,552</u>		<u>19,149</u>
<b>Income funds</b>					
Restricted funds	12		-		11,566
Unrestricted funds			7,552		7,583
			<u>7,552</u>		<u>19,149</u>
			<u>7,552</u>		<u>19,149</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 26 March 2021

Ms Diana Aitchison  
**Trustee**

**Company Registration No. 03918058**



# CHRISTEL HOUSE EUROPE

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### 1 Accounting policies

##### Charity information

Christel House Europe is a private company limited by guarantee incorporated in England and Wales. The registered office is Hayloft Cottage, 15 Richardsons Lane, Loddington, Northamptonshire, NN14 1LD.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# CHRISTEL HOUSE EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### 1 Accounting policies

(Continued)

##### 1.5 Expenditure

Costs of generating funds are those costs associated with the golf event which takes place annually to raise donations for the charity.

Grants payable are recognised in the period in which they are incurred.

Expenditure is recognised in the year in which it is incurred and includes attributable VAT which cannot be recovered.

##### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# CHRISTEL HOUSE EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	23,648	51,409	75,057	73,615	64,664	138,279
	<u>23,648</u>	<u>51,409</u>	<u>75,057</u>	<u>73,615</u>	<u>64,664</u>	<u>138,279</u>
<b>Donations and gifts</b>						
Christel House						
International Inc	18,310	-	18,310	14,356	-	14,356
General donations	5,338	-	5,338	59,259	-	59,259
India	-	14,890	14,890	-	9,577	9,577
South Africa	-	36,519	36,519	-	55,087	55,087
	<u>23,648</u>	<u>51,409</u>	<u>75,057</u>	<u>73,615</u>	<u>64,664</u>	<u>138,279</u>

#### 4 Raising funds

	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2019 £	2019 £	2019 £
Golf events	-	32,731	8,463	41,194
	<u>-</u>	<u>32,731</u>	<u>8,463</u>	<u>41,194</u>

# CHRISTEL HOUSE EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 5 Raising funds

	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Golf events	-	7,017
Other fundraising costs	2,680	9,451
	<u>2,680</u>	<u>16,468</u>
Fundraising and publicity	<u>2,680</u>	<u>16,468</u>

#### 6 Grants payable

	Grants expense 2020 £	Grants expense 2019 £
Grants to institutions:		
Donations to India	23,205	48,464
Donations to South Africa	44,960	102,662
	<u>68,165</u>	<u>151,126</u>

#### 7 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Independent examination fees	-	1,980	1,980	2,220
	<u>-</u>	<u>1,980</u>	<u>1,980</u>	<u>2,220</u>
Analysed between				
Charitable activities	-	1,980	1,980	2,220
	<u>-</u>	<u>1,980</u>	<u>1,980</u>	<u>2,220</u>

Governance costs includes payments to the independent examiners of £1,980 (2019- £2,220) for examination fees.

# CHRISTEL HOUSE EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

#### 9 Employees

There were no employees during the year.

#### 10 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Other debtors	-	14,462
	<u>-</u>	<u>14,462</u>
	<u>-</u>	<u>14,462</u>

#### 11 Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	29,278	92,791
	<u>29,278</u>	<u>92,791</u>

#### 12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020	Movement in funds		Balance at 31 December 2020
	£	Incoming resources	Resources expended	£
South Africa	5,783	36,519	(42,302)	-
India	5,783	14,890	(20,673)	-
	<u>11,566</u>	<u>51,409</u>	<u>(62,975)</u>	<u>-</u>

# CHRISTEL HOUSE EUROPE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 13 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Current assets/(liabilities)	7,552	-	7,552	7,583	11,566	19,149
	<u>7,552</u>	<u>-</u>	<u>7,552</u>	<u>7,583</u>	<u>11,566</u>	<u>19,149</u>

#### 14 Related party transactions

None of the key management personnel received an remuneration during the year (2019 £Nil).

No guarantees have been given or received.

Christel House International Inc. which is the 'A' member of the charity, agreed to cover all administrative expenses during the year. An amount of £18,310 (2019 - £14,356) was received during the year.

Grants of £44,960 (2019 - £102,662) have been incurred by Christel House Europe during the year in relation to Christel House South Africa.

Grants of £23,205 (2019 - £48,464) have been incurred by Christel House Europe in relation to Christel House India.