

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 2021

CHRISTEL HOUSE EUROPE

LEGAL AND ADMINISTRATIVE INFORMATION

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

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TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

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 £101,709 (2020 £68,165) 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.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

The surplus for the year amounted to £35,102 (2020 Deficit: £11,597).

During the year the charity made grants of £79,548 to Christel House South Africa and £22,161 to Christel House India.

Grants made during the year were up on previous years despite the impact on fundraising activities due to 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:

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.

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Ms Diana Aitchison

Trustee

Dated:

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 2021, 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:

CHRISTEL HOUSE EUROPE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	43,740	111,859	155,599	75,057
<u>Expenditure on:</u>					
Raising funds	4	2,528	-	2,528	2,680
<u>Charitable activities</u>					
Management and administration	5	16,260	-	16,260	15,809
Grants expense	5	22,380	79,329	101,709	68,165
Total charitable expenditure		38,640	79,329	117,969	83,974
Total resources expended		41,168	79,329	120,497	86,654
Net income/(expenditure) for the year/ Net movement in funds		2,572	32,530	35,102	(11,597)
Fund balances at 1 January 2021		7,552	-	7,552	19,149
Fund balances at 31 December 2021		10,124	32,530	42,654	7,552

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 2021

		2021		2020	
	Notes	£	£	£	£
Current assets					
Cash at bank and in hand		44,754		36,830	
Creditors: amounts falling due within one year	9	(2,100)		(29,278)	
Net current assets			42,654		7,552
Income funds					
Restricted funds	10		32,530		-
Unrestricted funds			10,124		7,552
			42,654		7,552

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 2021.

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 complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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Ms Diana Aitchison
Trustee

Company Registration No. 03918058

CHRISTEL HOUSE EUROPE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	43,740	111,859	155,599	23,648	51,409	75,057
Donations and gifts						
Christel House						
International Inc	19,370	-	19,370	18,310	-	18,310
General donations	24,370	-	24,370	5,338	-	5,338
India	-	9,269	9,269	-	14,890	14,890
South Africa	-	102,590	102,590	-	36,519	36,519
	43,740	111,859	155,599	23,648	51,409	75,057

4 Raising funds

	2021 £	2020 £
<u>Fundraising and publicity</u>		
Other fundraising costs	2,528	2,680

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Grants payable

	Grants expense 2021 £	Grants expense 2020 £
Grants to institutions:		
Donations to India	22,161	23,205
Donations to South Africa	79,548	44,960
	<u>101,709</u>	<u>68,165</u>

6 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Independent examination fees	-	2,100	2,100	1,980
	<u>-</u>	<u>2,100</u>	<u>2,100</u>	<u>1,980</u>
Analysed between Charitable activities	-	2,100	2,100	1,980
	<u>-</u>	<u>2,100</u>	<u>2,100</u>	<u>1,980</u>

Governance costs includes payments to the independent examiners of £2,100 (2020- £1,980) for examination fees.

7 Trustees

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

8 Employees

There were no employees during the year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	2,100	29,278

10 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 2021	Movement in funds		Balance at 31 December 2021
	£	Incoming resources	Resources expended	£
South Africa	-	102,590	(70,060)	32,530
India	-	9,269	(9,269)	-
	-	111,859	(79,329)	32,530

11 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Current assets/(liabilities)	10,124	32,530	42,654	7,552	-	7,552
	10,124	32,530	42,654	7,552	-	7,552

12 Related party transactions

None of the key management personnel received an remuneration during the year (2020 £Nil).

No guarantees have been given or received.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Related party transactions

(Continued)

Christel House International Inc. which is the 'A' member of the charity, agreed to cover all administrative expenses during the year. An amount of £19,370 (2020 - £18,310) was received during the year.

Grants of £79,548 (2020 - £44,960) have been incurred by Christel House Europe during the year in relation to Christel House South Africa.

Grants of £22,161 (2020 - £23,205) have been incurred by Christel House Europe in relation to Christel House India.