

LINCS 2 NEPAL

Charity Number: 1130609

**Financial Accounts
for the year ended 31st December 2022**

**Saul Fairholm Limited
Chartered Accountants
12 Tentercroft Street
Lincoln
LN5 7DB**

LINCS 2 NEPAL

Financial Accounts for the year ended 31st December 2022

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LINCS 2 NEPAL**Financial Accounts for the year ended 31st December 2022****CHARITY INFORMATION**

PROPRIETOR:	The Committee
ADDRESS:	6 Dorrigan Close Lincoln LN1 1AT
ACCOUNTANTS:	Saul Fairholm Limited Chartered Accountants 12 Tentercroft Street Lincoln LN5 7DB
CHARITY REGISTRATION NUMBER:	1130609

LINCS 2 NEPAL

Report of the Trustees for the year ended 31st December 2022

The Trustees present their annual report for the year ended 31st December 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Name: Lincs 2 Nepal

Charity Number: 1130609

Charities operating address: 6 Dorrigan Close
Lincoln
LN1 1AT

Trustees:

The Trustees of the Charity at the year end were:-

Mr Garry Mark Goddard (Chair)
Mrs Tracey Lorraine Goddard (Secretary)
Mr Steven Pritchard
Mrs Emma Louise Crellin
Mrs Linda Greaves
Mr Stuart Martin Wallace (Appointed 4th July 2022)

GOVERNANCE

Lincs2Nepal is an unincorporated charity governed in accordance with its Constitution which was adopted in July 2009. Throughout 2022 the Charity had no employees, so was managed by the Trustees, supported by volunteers.

OBJECTIVES AND ACTIVITIES

Lincs2Nepal is dedicated to improving the education, health and general development of families in the poorer communities of Nepal. We aim to:

- provide assistance and opportunity, through education, to oppressed, marginalised and disadvantaged lower caste communities in Nepal, in particular children;
- further the provision of healthcare and social rights for those to whom such opportunities have previously been denied due to poverty, family circumstances or oppression; and
- create a safer environment for children and to provide support and encouragement to help improve their living and social conditions, to help them realise their potential as individuals.

We believe that education is the key to helping communities to make sustainable, long-term change and so this is the principal focus of our projects.

The Trustees confirm they have complied with their duty to have due regard to the Charity Commission's public benefit guidance during 2022, as demonstrated by the review of activities in the following sections.

LINCS 2 NEPAL

Report of the Trustees for the year ended 31st December 2022

ACHIEVEMENTS AND PERFORMANCE

2022 was a significant year for Lincs2Nepal, which included taking over funding of the 40 Friends Children's Home in Kathmandu and two capital projects, with consequent growth in the Charity's income and expenditure to new levels. Further details of these and other developments are provided below, followed by the Financial Review of 2022.

Jeevan Jyoti School

Lincs2Nepal pays for scholarships, which allow lower caste children to attend Jeevan Jyoti School in Kohalpur and receive a quality education that would not otherwise be available to them. Each child has a sponsor whose regular donations fund the child's education, including their uniform, shoes, backpack, school dinners and other essentials. Our scholarship children are educated alongside children from fee-paying higher caste families, which is still rare in Nepal.

As at December 2022 there were 460 children on Lincs2Nepal scholarships. Lincs2Nepal contributed £55,071 to school running costs through our sponsored scholarship programme. We also provided a teacher training programme in November, when a small team of volunteers visited the school to share their experience from teaching in the UK and promote good practice.

In last year's Report we explained that Lincs2Nepal had provided temporary funding to enable our school to acquire agricultural land adjacent to its existing site for improved sports facilities. That plan came to fruition during 2022, when we provided £21,000 to fund the required capital works, which included raising the level of the land, which was previously paddy. Our students now have access to a full-size football pitch, as well as basketball, volleyball and badminton courts, which is important both for healthy living and to give every child a chance to fulfil their potential.

In April and November 2022, we delivered donated medical equipment to Kohalpur Hospital, in exchange for which our scholarship students and their families receive free health care from the hospital when needed. Also, with the help of a generous donor, we provided a defibrillator for our school, after one of the children – a ten year-old boy – died as a result of a heart attack during the school day.

Village Pre-schools

Before the lower caste children can begin scholarships at Jeevan Jyoti School, they need to be introduced to school life. To facilitate this Lincs2Nepal has pre-schools in four very poor, rural communities. The children begin at pre-school at 2 or 3 years old and, after a year, most are able to begin their sponsored education in Jeevan Jyoti School's lower kindergarten. The pre-schools also provide jobs and income for eight families.

Two of the pre-school buildings in Lokanwar and Akalgawa were no longer fit-for-purpose and so, with the support a generous donation, we invested £13,695 during 2022 in building and equipping two new school/community buildings. Both new buildings provide two good-sized rooms, storage and a toilet with septic tank. Additionally, in Lokanwar we were able to provide a second storey, which is now home to one of our Jeevan Jyoti School staff, who had worked for seven years as a bus driver and caretaker, while he and his family lived in what was, essentially, a tin hut.

LINCS 2 NEPAL

Report of the Trustees for the year ended 31st December 2022

The 40 Friends Children's Home

Last year we reported a new partnership with the One Golden Angel charity, which ran the Humanitarian Concern Center children's home in Kathmandu. While we initially only provided a modest contribution to the home's running costs, things developed quickly in 2022 and in April we took over as the principal sponsor.

In order to fund the home's running costs and improve its very basic facilities, we sought to identify forty new "friends" – businesses, families and individuals - who would make monthly donations to the project going forward. Together with some additional fundraising events, we generated £34,739 in 2022. This enabled us to invest £8,414 in structural improvements to drainage and buildings - including new toilets, refurbished and additional dormitories - whilst paying another £22,077 towards day-to-day running costs, new equipment and clothing for the children. In November, we were also able to treat the children to a day out at a water and amusement park in Kathmandu.

The renamed 40 Friends HCC Children's Home currently accommodates 17 children, with plans to take in additional children during 2023 and beyond.

Support Through College

We continue to fund nurse training for Bidisha, a young lady who Lincs2Nepal first met as an 11 year-old during earthquake relief work in 2015. She said then, that she wanted to be a nurse when she grew up and, seven years on, we are delighted to support her through nursing studies to achieve her dream.

Ashma and Sharmila are from very poor families living in Lokanwar. We have supported their education, including two years at college. Having passed their exams, they wanted to study computer studies for a further year, which we are funding, after which they will be employed at Jeevan Jyoti School.

Website

The Charity's short video review of 2022 can be viewed at: https://youtu.be/3x-k2_Y3t2A

LINCS 2 NEPAL

Report of the Trustees for the year ended 31st December 2022

FINANCIAL REVIEW

The majority of the Lincs2Nepal's income comes from our increasing number of child sponsors and, with effect from 2022, from the businesses, families and individuals who are helping the Charity fund the 40 Friends Children's Home. That core income is supplemented by fundraising events and other donations. The Charity received total income of £145,210 during 2022 which was a 46% increase on £99,257 received in 2021.

The Charity spent £130,159 during the year, which was 91% more than the £68,255 expended in 2021. Expenditure included:

- £55,071 (42.3% of our total expenditure) in relation to the sponsored scholarship programme at Jeevan Jyoti School;
- £30,491 (23.4%) spent on running costs and refurbishment of the 40 Friends Children's Home;
- £21,000 (16.2%) to create new sports facilities for Jeevan Jyoti School;
- £13,695 (10.5%) to rebuild and equip two of the feeder schools that prepare nursery-age children for the move up to Jeevan Jyoti School;
- £1,405 (1.1%) for a defibrillator for Jeevan Jyoti School and to re-stock the first aid room;
- £1,210 (0.9%) on college fees for three students from lower caste families; and
- £7,287 (5.6%) on other direct and indirect charitable expenses.

In summary, in 2022 our income exceeded our costs by £15,051, compared with a surplus of £31,002 in 2021.

LINCS 2 NEPAL**Report of the Trustees for the year ended 31st December 2022**

As at 31 December 2022, the Charity held reserves totalling £89,590 which comprised:

- £63,288 of general reserves. The Trustees have established a policy whereby general reserves should be sufficient to meet between two and six months' costs (i.e. between approximately £21,000 and £65,000), to provide some resilience in the event of variations in the value or timing of our income. During 2022, the level of general reserves actually varied between a high of £74,000 in February and a low of £43,000 in October. The generally increased level arises from a combination of a favourable exchange rate, which has temporarily reduced the cost in pounds sterling of our scholarship programme, and a cautious approach during a period when our income could be at risk due to the economic situation in the UK;
- £21,899 which is earmarked for further education and vocational training for our sponsored children when they leave Jeevan Jyoti School in future years (Note 6 refers); and
- £4,403 which is earmarked for the 40 Friends Children's Home (the excess of 40 Friends income over costs incurred in 2022 – Note 7 refers).

In conclusion, 2022 was a year of significant growth for the Charity. We are extremely grateful to everyone who helped us achieve this, not least our child sponsors, the "40 Friends" and the donor who funded the improvements to two of our village feeder schools. We also want to pay tribute to the Principal and staff of Jeevan Jyoti School and to the staff of the 40 Friends Children's Home, without whom we could not achieve what we do

SIGNED ON BEHALF OF THE CHARITY'S TRUSTEES

Stuart Wallace
Chair and Trustee



Emma Crellin
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LINCS 2 NEPAL TRUST

I report to the Trustees on my examination of the accounts of Lincs 2 Nepal Trust (the Trust) for the year ended 31st December 2022 which are set out on pages 8 to 12.

RESPONSIBILITIES AND BASIS OF REPORT

As the Charity Trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011('the Act').

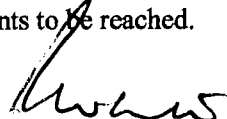
I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.



Roger White ACA
Saul Fairholm Limited
Chartered Accountants
12 Tentercroft Street
Lincoln
LN5 7DB

LINCS 2 NEPAL**Statement of Financial Activities for the year ended 31st December 2022**

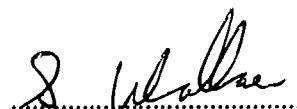
	<u>Notes</u>	<u>Un-restricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 2022</u> £	<u>Total Funds 2021</u> £
INCOME					
Shop and Event Sales		2,953	-	2,953	1,830
Fundraising Income					
General		142,151	-	142,151	85,889
Emergency Relief		-	106	106	11,538
TOTAL INCOME	2	145,104	106	145,210	99,257
DIRECT CHARITABLE EXPENDITURE					
Opening Stock		776	-	776	1,310
Purchases and Event Costs		820	-	820	495
Nepal - Cost of Projects	3	127,204	155	127,359	65,730
		128,800	155	128,955	67,535
Closing Stock		(606)	-	(606)	(776)
		128,194	155	128,349	66,759
INDIRECT CHARITABLE EXPENDITURE					
Insurance		120	-	120	36
Telephone		560	-	560	494
Postage, Stationery and Marketing		349	-	349	716
Travelling		241	-	241	-
Bank Charges		540	-	540	250
TOTAL EXPENDITURE		130,004	155	130,159	68,255
NET INCOME/(EXPENDITURE)		15,100	(49)	15,051	31,002
RECONCILIATION OF FUNDS					
Total Funds Brought Forward		74,490	49	74,539	43,537
Total Funds Carry Forward		89,590	-	89,590	74,539

LINCS 2 NEPAL**Balance Sheet as at 31st December 2022**

	<u>Notes</u>	<u>2022</u>		<u>2021</u>	
		£	£	£	£
CURRENT ASSETS					
Stocks	4	606		776	
Debtors	5	4,843		18,366	
Cash at Bank and in Hand		84,141		55,397	
		<u>89,590</u>		<u>74,539</u>	
CREDITORS					
Amounts falling due within one year		-		-	
NET CURRENT ASSETS			89,590		74,539
TOTAL NET ASSETS			<u>89,590</u>		<u>74,539</u>
FUNDS OF THE CHARITY					
<u>Unrestricted Funds</u>					
General		63,288		58,693	
Earmarked for further /vocational education	6	21,899		15,797	
Earmarked for 40 Friends children's home	7	4,403			
<u>Restricted funds</u>					
Emergency relief		-		49	
TOTAL CHARITY FUNDS			<u>89,590</u>		<u>74,539</u>

The financial statements have been prepared in accordance with 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 United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Approved by the Board on 14/06/2023 and signed on its behalf by:



Stuart Wallace
Chair and Trustee

LINCS 2 NEPAL**Notes to the Accounts for the year ended 31st December 2022****1. ACCOUNTING POLICIES****Basis of preparation**

The financial statements have been prepared in accordance with 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 1st January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Lincs 2 Nepal meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Preparation of the accounts on a going concern basis

The accounts have been prepared on a going concern basis.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. TOTAL INCOME

	<u>2022</u>	<u>2021</u>
	£	£
Jeevan Jyoti School / KindNess	107,412	85,889
40 Friends Children's home	34,739	-
Shop and event sales	2,953	1,830
Lincs2Nepal appeal	-	7,891
Art Saves Lives in Nepal	106	1,769
Sponsored walk	-	1,878
	<hr/> 145,210	<hr/> 99,257

3. NEPAL-COST OF PROJECTS

	<u>2022</u>	<u>2021</u>
	£	£
Mainstream projects	96,868	53,350
40 Friends Children's Home	30,336	-
Covid-19 emergency relief	155	12,380
	<hr/> 127,359	<hr/> 65,730

LINCS 2 NEPAL**Notes to the Accounts for the year ended 31st December 2022****4. STOCK**

	<u>2022</u>	<u>2021</u>
	£	£
Stocks	606	776

5. DEBTORS

	<u>2022</u>	<u>2021</u>
	£	£
Payments in Advance	4,843	18,366

6. UNRESTRICTED FUNDS-Earmarked for further/vocational education

Some child sponsors pay more than the standard monthly amount and their donations are earmarked for specific children's further education or vocational training after the child leaves school. As at 31st December 2022, £21,899 was earmarked for further education or vocational training.

7. UNRESTRICTED FUNDS – 40 Friends Children's Home

	At 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2022 £
Unrestricted Funds					
Designated funds	-	34,739	(30,336)	-	4,403
	-	34,739	(30,336)	-	4,403

LINCS 2 NEPAL**Notes to the Accounts for the year ended 31st December 2022****8. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

As at 31st December 2022	Un- restricted <u>Funds</u> £	Restricted <u>Funds</u> £
Current Assets	89,590	-
Current Liabilities	-	-
Total Net Assets	89,590	-
As at 31st December 2021	Un- restricted <u>Funds</u> £	Restricted <u>Funds</u> £
Current Assets	74,490	49
Current Liabilities	-	-
Total Net Assets	74,490	49

9. PAYMENTS TO TRUSTEES

No payments were made to any of the Charity's trustees, other than to reimburse out-of-pocket expenses personally incurred on charity business.