

EMPOWERING THE DISADVANTAGED . . .



NEW FUTURES NEPAL LIMITED

ANNUAL REPORT

Annual Report and Financial
Statements for the year
ended 31 MARCH 2022



NEW FUTURES NEPAL

COMPANY NO. 07492988

REGISTERED CHARITY NO. 1142984

(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)



**NEW FUTURES NEPAL EMPOWERS
DISADVANTAGED CHILDREN AND ADULTS OF
NEPAL BY RAISING FUNDS FOR INITIATIVES
THAT PROMOTE HEALTH, EDUCATION
AND INDEPENDENCE AND SUPPORTS
SOCIAL INTEGRATION FOR CHILDREN WITH
DISABILITIES TO LIVE IN THE COMMUNITY
AND WITHIN SAFE AND LOVING HOMES. WE
ADOPT A ‘HANDS ON, PERSONAL APPROACH’,
KEEP OUR ADMINISTRATION COSTS LOW
AND WORK WITH LOCAL CHARITIES AND
ORGANISATIONS WORLDWIDE TO FACILITATE
THE CHARITY’S GOALS AND AIMS.**

DIRECTORS

Lynne McCutcheon
Paul Crook
Andrew Small
Charles Barton
Helen Crook
Angela Bowen

PATRONS

Sir Chris Bonington CVO CBE DL

REGISTERED OFFICE

18 Eastfield Road, Leamington Spa, CV32 4EX

INDEPENDENT EXAMINER

Mr Barry Parker CPFA
22 Tomkinson Heights, Hednesford, Cannock,
Staffordshire WS12 4XD

ACCOUNTANT

Susan Ellam ACMA
18 Eastfield Road, Leamington Spa, CV32 4EX

BANKERS

HSBC Bank plc
Cathedral Lanes, 5-6 High Street, Coventry, CV1 5RE

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DIRECTORS REPORT



The Directors present their report and accounts for the year ended 31 MARCH 2022.

Structure, Governance and Management

The Charity was formed as a company limited by guarantee. The Directors who served during the year and at the date of this report were: Lynne McCutcheon, Andrew Small, Angela Bowen, Charles Barton, Helen Crook and Paul Crook.

The Directors manage the affairs of the charitable company in association with the Trustees and meet at least five times a year at formally convened meetings.

The Trustees who served during the year were: Alex Maher, Jemma Knight, Lee Brown, Steven Davis and Dr Victoria Jenkins (resigned May 2021).

The role of Independent Examiner for the Charity is appointed on an annual basis. The Directors and Trustees have been supported on a purely voluntary basis by Barry Parker CPFA, who has been appointed each year since 2015.

During the Charity's Annual General Meeting held on 6 June 2021, Andrew Small and Helen Crook stood down as per the terms of the company's Memorandum and Articles of Association. Both offered themselves for re-election and both were unanimously re-elected for a further three years. Andrew Small also stood down and was re-elected unanimously as Treasurer.

Objectives and Activities

The Charity's objectives are:

- To relieve and support cases of need, hardship, distress or disability for people living in the Federal Democratic Republic of Nepal or for people of Nepalese origin or nationality worldwide;
- To advance the educational needs of people in the Federal Democratic Republic of Nepal or for people of Nepalese origin worldwide;
- For such other charitable purposes for Nepalese people as the Trustees may determine from time to time.

Public Benefit

The Charities Act 2011 requires all charities to meet the legal requirement that its aims are for the public benefit. The Charity Commission in its Charities and Public Benefit guidance states that there are two key principles to be met to show the organisation's aims are for the public benefit; firstly, there must be an identifiable benefit or benefits and secondly, that the benefit must be to the public or a section of the public. The Directors consider that they have complied with Section 17 of the Charities Act 2011 and the guidance issued by the Charity Commission in respect of Public Benefit.

Risk Management

International Money Movement & Grant Aid:

The Charity operates internationally, regularly transferring funds to Nepal and India. The Directors have taken all possible steps to mitigate the risks involved in such transfers.

Regular funds to Nepal are sent by international transfer direct from HSBC Bank.

Most funds are paid to a registered Nepali charity, "Disabled Welfare Association Nepal, Hope Centre", which is based in Kathmandu. The Nepali Social Welfare Council requires New Futures Nepal to declare annually the amount of funds to be provided in the twelve months following the declaration and these figures are verified and form part of the Nepal Government's annual checks. Disabled Welfare Association is also audited annually by an external accountant and the Directors are provided with a full set of accounts and audit reports. The Directors also conduct their own comprehensive checks of the books, vouchers and accounting records maintained by the members of the Disabled Welfare Association Nepal, and spot checks are made and payments traced from receipt into the bank to expenditure on agreed items such as school fees, food, medical care etc.

NEW FUTURES NEPAL LIMITED

DIRECTORS

REPORT

The computerised accounting system used by Disabled Welfare Association is operated by an accountant who is employed to take charge of its bookkeeping. The system is known to the Trustees as it is the same as that operated by Hope Family Trust in India.

Funds are also sent annually to Self-Help Group for Cerebral Palsy Nepal, an NGO based in Dhapakhel, Kathmandu, who is the umbrella NGO for several smaller organisations. These funds are for the benefit of the daycare centre run by Parents Self-Help Group in Bhaktapur for the support of disabled children within the community. A further Memorandum of Understanding was entered into in February 2022 for three years between New Futures Nepal Limited and Self-Help Group for Cerebral Palsy Nepal. This is a large NGO subject to stringent checks by the Nepali Government and New Futures Nepal are again obliged to declare the amount of funds to be sent each year.

Directors use their best endeavours to check that the funds are used as intended by visiting the project whenever possible during their visits, and by keeping in contact with the NGO. One-off payments are sometimes made to other NGOs in Nepal and a test payment of £50 is always made before any larger amounts are transferred. Directors use their best endeavours to check that funds have been spent as intended whenever possible during their annual visits to Nepal.

Funds sent to India are subject to Indian Money Laundering Regulations which specify that foreign charities may only transfer funds to Indian charities licensed to receive foreign funds. New Futures Nepal regularly transfers funds by international transfer directly from HSBC Bank to The Hope Family Trust in Kalimpong, West Bengal. This charity is audited annually by the Indian Government and again we receive a copy of the accounts and audit report.

International Monitoring of Projects & Grants:

As stated in the previous paragraph, the Charity reviews audited accounts of Disabled Welfare Association and Hope Family Trust each year and receives written reports and financial statements from Cerebral Palsy Nepal. A document detailing how to check and monitor when “on the ground” has been compiled by two of the most experienced trustees and is available for all trustees as guidance and a checklist. Due to the global pandemic no trustee monitoring trips to Nepal or India took place during the year to March 2022 and there are no firm plans to travel for the foreseeable future. Procedures have been put in place to check books of account online using the internet and Zoom conferences are organised to keep in touch with teams in both countries.

Data Privacy:

Following the major review in 2020 of the charity’s GDPR procedures, the privacy policy is reviewed and discussed at trustee meetings once a year as a minimum..



Financial Report

During the year, the Charity's income amounted to £107,567 and total payments to support our charitable activities amounted to £101,773. Overall donations reduced to £92,171 from £112,302 which is a decrease of 18%.

There was an overall drop of £3,000 in regular donations in the year. This is our lifeblood, so is disappointing but not unexpected due to the present economic conditions and individuals having to tightly control their finances. The drop in one-off donations was even more marked, but 2020/21 was an exceptional year for these, and they have now returned to more normal levels.

The Directors wish to highlight that the budgeted deficit of Income over Expenditure was thankfully not realised and the Charity actually achieved a surplus of £163. This difference was caused mainly by lower-than-expected expenditure on Raising Funds and Charitable Activities. The strength of the Charity's balance sheet remains positive with little movement in the value of net current assets.

The Directors and Trustees have reviewed the Charity's cash position, its Budgets and future planned expenditure and have agreed that the Charity is in a sound financial position.

Reserves Policy

The Charity operates a Reserves Policy for its Unrestricted Funds and the level of these at our year-end is £163,139 (2021 - £162,976). The level of funds Designated by the Directors at our year end is the whole of this amount. The Directors and Trustees made the decision to Designate all its Unrestricted Funds to support its long-term projects, i.e. Disabled Welfare Associate, Self-Help Group for Cerebral Palsy, and Hope Family Trust. This decision was made to enable the Charity to sustain its financial support of these projects for as long as possible during the period of the global pandemic. The Charity believes that, given its continued reduced forecast for fundraising income combined with the likelihood of continued hardship faced by people and organisations in Nepal, it is necessary to operate with acute levels of prudence. The level of Free Reserves at our year end is therefore zero.

Other Policies

The Charity has policies for Reserves, Safeguarding Vulnerable Adults & Child Protection, Equal Opportunities, Health & Safety, Travel & Expenses, Privacy, Conflict of Interest, Financial Controls, Risk Management and Volunteer Management.



Achievements and Performance

This year, we are happy to say, we again made a small surplus in spite of low expectations which was encouraging and is a reflection of how hard our trustees and supporters worked to keep generating funds. Despite having to adapt the way we operated, their continued support allowed us to weather the storm. As restrictions began to ease in the UK, new opportunities emerged which allowed us to rejuvenate our fundraising.

At the start of the year lockdown restrictions were being lifted slowly in Nepal and India but travel was not recommended throughout 2021. We continued to support our major projects as well as being able to provide aid to remote villages around Everest, where porters and their families were struggling as a result of no tourism or trekking for a second consecutive year. We provided funding for Covid Test Kits, a solar Power Conditioning Unit (PCU), and two batteries to Mahakulung community hospital, nutritious food bank items and personal Hygiene Kits to our long established partner NGO, Everest Mera Foundation, who work in the region of Mahakulung. They had worked tirelessly for the community and built a 15 bed isolation unit for victims of Covid. We also provided funding to Shree Chheshkam School covering the cost of wages for two teachers for one year; local families usually contribute to teachers salaries but with no income they are unable to do so and teachers cannot afford to live in this remote region without the extra funding.

NEW FUTURES NEPAL LIMITED DIRECTORS REPORT

Our teams and all the children and young adults in Nepal and India are safe and well. They spent many months in isolation in their homes and grounds, being educated online and learning new skills. They have come through it all smiling and unscathed and are thrilled to be back at school and meeting their friends again.

At the Hope Centre in Nepal the newcomers, twins Lital and Lahana, have thrived on the “magic” of the home and they started school in Kathmandu towards the end of 2021. The three college students are living at the Hope Centre for the time being as they can walk to their colleges and there is less risk for them as the ever changing variants of Covid still circulate freely throughout Kathmandu. The majority of older children and all adults received vaccinations during the year and the follow up boosters in some cases too.

At Hornbeam House in Kalimpong the children did well with their school exams and are fit and well. Priyanka passed her final exams and qualified to enrol at nursing school in Bangalore.

We said our supporters were rejuvenated and here is a taste of their activities during the year. The Nepal Anyway challengers collectively ran, walked, cycled, and swam 7,339 km over 32 days in April 2021. The team

collectively covered over 7,500km and raised in-excess of £1,500 for New Futures Nepal. There was also a Virtual Everest challenge, where supporters climbed their stairs to the height of Everest (phew) and Becky and Donal completed their 50 Km Chiltern Challenge, smashing their fundraising target of £2,000. Sally's online yoga and Peta's Pilates were a great success and 7 amazing people competed on our behalf in the Royal Parks Half Marathon raising £4,000. A Winter Walk took place in January and Nigel put on a special one-night event of the play Birthday Suite, at Priory Theatre Kenilworth raising funds for the charity.

The trustees continued the majority of their quarterly meetings using Zoom and happily one live meeting took place in December 2021. The Charity renewed its membership of BRANNGO which continues to provide useful information and contacts.

Sincere thanks go to those professionals and small businesses who give of their time and expertise each year. The annual accounts are examined and reported upon by a retired accountant, Barry Parker, who has worked voluntarily for the charity for 7 years. He will stand down as examiner at the end of this year and the





trustees offer their sincere thanks and wish him well for the future. The high quality annual report and accounts are professionally edited and produced by Roger Warham, who also gives of his time and expertise free of charge. Heartfelt thanks to him and, as always, to one person without whom the Charity couldn't work, its excellent and loyal accountant, Susan Ellam.

It is with the support of all those professionals mentioned above and the generous donors, sponsors, friends and family that the Charity has been able to make a real difference to the lives of these young people. We are all volunteers striving for the same end, to empower disadvantaged children and adults of Nepal. We could not do it without you.

Future Plans

In Nepal the Charity will continue to work with the Disabled Welfare Association Nepal supporting them at the Hope Centre, Kathmandu and hope to see more new children being welcomed to the family as older children leave on their first steps to independence.

The charity is aware of the Government of Nepal's policy to work towards deinstitutionalisation of children (Government of Nepal, National Child Rights Council 2020), whilst it is recognised there will always be some children for whom residential care is the only option for the safety of their health and welfare. New Futures Nepal will continue to work with Disabled Welfare Association Nepal to ensure they work within the guidelines contained in the policy.

New Futures Nepal will also continue to contribute towards the running costs of the Parents Self-Help Group in Bhaktapur for children with cerebral palsy and the Charity entered into a new three-year Memorandum of Understanding in February 2022.

In India, the Charity will continue to support the Hornbeam House family by working with Hope Family Trust in Kalimpong. As previously reported, the Charity has agreed to limit the contributions made to this project over the coming years until 31 March 2026, when the funding of Hornbeam House will cease. This is in line with plans to help the home become self-sustaining and all of the children currently in the home will receive funding



for their education and further education or vocational training if they are able. Hornbeam House is owned and run by Hope Family Trust, an NGO registered in India, and the Charity will continue to work with it and the house parents to ensure a smooth exit.

The Charity will seek ways in which they can help with financial aid in Nepal as the country remains one of the poorest in the world and has been hit very hard by the global pandemic. One-off projects and short-term projects will be favoured, preferably working with trusted partner charities and NGOs in Nepal. We will continue to look for other projects in Nepal that meet the criteria of our aims and objectives.

Fundraising is looking up for 2022/23 as live events are being reinstated and the Charity can happily reconnect face-to-face with its supporters and friends. This interaction has been badly missed and we are immensely grateful to all those who have supported and worked for our projects during recent times.



The SteamPunk festival “Raising Steam” has become a regular part of the calendar and is scheduled to take place 19-22 May 2022.

The Charity will keep working to sign-up as many new regular donors as possible, continue to increase its outreach by spreading the word on social media, and work with small businesses, schools, clubs and associations and commercial partners encouraging them to support New Futures Nepal.

Statement of Directors’ Responsibilities

The Directors are responsible for preparing the Directors’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources, including the income and expenditure, of the charitable company for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.



The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company’s website.

Legislation in the United Kingdom governing preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

Director: Mr Andrew Small

Date: 30 September 2022

EXAMINER'S REPORT

REPORT OF THE INDEPENDENT EXAMINER TO THE DIRECTORS OF NEW FUTURES NEPAL LIMITED

Report to the trustees of New Futures Nepal Limited ("the Company") on the accounts for the year ended 31 March 2022 Charity No.1142984 Company No. 07492988 set out on pages 9 to 15.

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

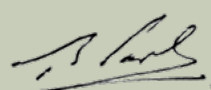
Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with those records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS 102).

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.



**Mr Barry Parker CPFA
22 Tomkinson Heights, Hednesford, Cannock,
Staffordshire WS12 4XD**

Date: 4 November 2022

NEW FUTURES NEPAL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Fund	Restricted Fund	Total 2022	Total 2021
		£	£	£	£
Income and endowments from:					
Donations and legacies		57,183	34,988	92,171	112,302
Other trading activities		15,260	0	15,260	5,065
Investments		136	0	136	320
Total		72,579	34,988	107,567	117,687
Expenditure On:					
Raising funds	2	5,631	0	5,631	2,759
Charitable activities	3	67,427	34,346	101,773	114,115
Total		73,058	34,346	107,404	116,874
Net income/(expenditure) and net movement in funds for the year					
		(479)	642	163	813
Reconciliation of funds:					
Total funds brought forward		170,134	(642)	169,492	168,679
Transfer of funds					
Total funds carried forward	7	169,655	0	169,655	169,492

NEW FUTURES NEPAL LIMITED

BALANCE SHEET AT 31 MARCH 2022

	Notes	2022	2021
		£	£
Current Assets			
Debtors	5	9,175	12,459
Cash at bank and on deposit		172,671	163,674
		181,846	176,133
Creditors			
Amounts falling due within one year	6	12,191	6,641
Total assets less current liabilities		169,655	169,492
Represented by:			
Unrestricted funds:	7(i)		
- Designated		163,139	162,976
- General		0	0
Restricted funds	7(ii)	6,516	6,516
		169,665	169,492

For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- 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 Act with respect to accounting records and the preparation of financial statements.

Approved by the Board of Directors and authorised for issue on 30 September 2022

Director:



A. C. Small

Company Registration No: 07492988

NEW FUTURES NEPAL LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2022

1. Accounting policies

1.1. Basis of preparation of accounts

The accounts are prepared under the historical cost convention, in accordance with the Companies Act 2006, and United Kingdom Applicable Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015).

1.2. Income and expenditure

Voluntary income and donations are accounted for when the charity is entitled to receipt and the amount can be measured with reasonable certainty. Other income is accounted for on the accruals basis.

1.3. Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular heading they have been allocated to activities on a basis consistent with use of the resources.

Expenditure on governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.4. Grants payable

Grants are accounted for when approved by the Directors.

1.5. Value added tax

Value added tax is not recoverable by the charitable company, and where incurred is therefore included in the relevant costs in the statement of financial activities.

1.6. Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

1.7. Fund accounting

The following funds are held by the Charity:

Unrestricted - these are funds which can be used in accordance with the charitable objects at the discretion of the directors.

Restricted - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

NEW FUTURES NEPAL LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2022

2. Raising Funds	2022	2021
	£	£
Fund raising event costs	3,204	0
Communication and website	0	360
Subscriptions	1,366	1,511
Publicity and newsletter	0	149
Governance costs	842	739
Travel and subsistence	219	0
Printing, postage and stationery	0	0
	5,631	2,759

3. Charitable activities	2022	2021
	£	£
The Hope Centre and Hornbeam House	28,460	25,998
Projects in Nepal	25,881	37,638
Support costs	13,086	12,744
	67,427	76,380
Restricted		
Educational fees	0	0
The Hope Centre and Hornbeam House - Sponsor A Child	34,346	37,735
Disabled Equipment	0	0
	101,773	114,115

NEW FUTURES NEPAL LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2022

4. Directors and employees

No remuneration was paid to the directors or their connected persons in the year.

Expenses reimbursed to four directors in respect of travel, postage, stationery and promotional material amounted to £199 (2021 - £246)

There were no persons employed by the charity during the year.

5. Debtors	2022	2021
	£	£
Gift aid	6,684	5,004
Prepayments and accrued income	2,491	7,455
	9,175	12,459

6. Creditors	2022	2021
	£	£
Trade creditors	18	18
Other creditors	4,966	6,474
Deferred income	3,210	150
Accruals	3,997	0
	12,191	6,641

NEW FUTURES NEPAL LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2022

7 (i) Unrestricted funds	
General fund	£
At 1 April 2021	162,976
Net income in the year	163
Transfer	0
At 31 March 2022	163,139

Designated funds	£
At 1 April 2021	162,976
Transfer	163
At 31 March 2022	163,139

7 (ii) Restricted funds			
Movement in Funds			
At 1.4.2021	Transfer	Outgoing	At 31.3.2022
£	£	£	£
6,516	642	(642)	6,516

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NEW FUTURES NEPAL LIMITED



New Futures Nepal Limited is a registered charity in England and Wales (1142984) and a company limited by guarantee registered in England No 07492988

Head Office and address for donations:

New Futures Nepal Limited
18 Eastfield Road,
Leamington Spa, CV32 4EX

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