

REGISTERED COMPANY NUMBER: 10471484 (England and Wales)
REGISTERED CHARITY NUMBER: 1170522

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2024
for
Classrooms in the Clouds
(A Company Limited by Guarantee)

Marshall Accountancy Ltd
St Mary's House
Crewe Road
Alsager
Stoke-On-Trent
ST7 2EW

Classrooms in the Clouds

Contents of the Financial Statements for the Year Ended 31 December 2024

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 14
Independent Examiner's Report	15
Statement of Financial Activities	16
Balance Sheet	17
Notes to the Financial Statements	18 to 22
Detailed Statement of Financial Activities	23

Classrooms in the Clouds

Reference and Administrative Details for the Year Ended 31 December 2024

TRUSTEES	S Hagen M Hagen (Chairman) L McLaren D G Sherpa A S Roberts D G Thomas C Owen A Waller S Sixsmith
REGISTERED OFFICE	18 Sandlea Park West Kirby Wirral Merseyside CH48 0QF
REGISTERED COMPANY NUMBER	10471484 (England and Wales)
REGISTERED CHARITY NUMBER	1170522
INDEPENDENT EXAMINER	Marshall Accountancy Ltd St Mary's House Crewe Road Alsager Stoke-On-Trent ST7 2EW

Classrooms In The Clouds Trustees' Report

The Trustees of Classrooms in the Clouds are pleased to present their Report and Accounts for the period ending 31 December 2024. These accounts have been prepared in accordance with Charities SORP (FRS 102) '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)', Financial Reporting Standard for Smaller Entities (effective January 2015) and the Charities Act 2011, and the Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

Why?

Nepal is a land of mountains: both awe-inspiring physical peaks, and the metaphorical barriers which stand in the way of children's schooling and women's aspirations. Together, we believe we can move mountains. We can celebrate these women, and in turn the children they teach.

- Together, we can provide the resources needed to break down those barriers – from functioning classrooms to teacher training;
- Together, we can address gender inequalities, supporting women with a passion for teaching to become role models for the next generation;
- Together, we can spread the message through a network of schools and organisations in the UK, ultimately helping more children towards a brighter future and more women to find their own 'why'.

What Nepali School Communities Want and Need

A key desire is the development of high-quality teaching and learning in local state schools. An emphasis on educating the youngest to become creative, resilient, curious, literate and numerate is essential for developing lifelong learning.



The communities want teachers that work hard, are punctual and regular attendees and are excellent in their role. That is why we sponsor female teachers who are traditionally underrepresented in school and ensure they are on the same employment terms as government teachers. They are supported in tackling any skills shortfall with 4 female Education Support Leaders (ESLs) who lead and mentor the sponsored teachers.



The ESLs provide sponsored teachers training and mentorship in their school settings. The majority of support is peer led and modelled in the classroom.

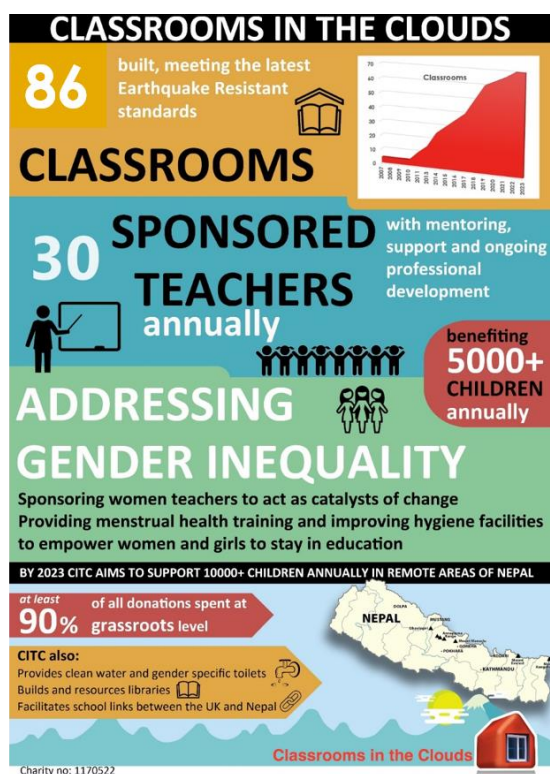
Engaging with the whole school community, Principals, SMC, Municipalities, teachers and parents, we can deliver a sustainable model for excellent teaching and learning for the 3 to 8 year old children in the 16 supported schools.

How is it Done?

- Building good quality, earthquake-resistant classrooms.



- Tackling gender inequality issues;
- Sponsoring, training and supporting new female teachers;
- Creating long-term, sustainable partnerships with school communities.



What does the Community say?

CITC welcomes local feedback such as that from the Social Welfare Council and the Menstrual Health Programme.

Social Welfare Council (SWC), Nepal

The SWC is the NGO statutory audit body in Nepal that inspects what CITC does. They recently took an in depth look at CITC's teacher sponsorship and development programme. Below are quotes taken from their report that reflect the overall theme:

'The study team clearly has analyzed that 27 sponsored teachers, 11 partner schools and approx. 5000 students of partner schools are benefited by this project. The average attendance of both groups at the partner schools is over 90%, according to the annual evaluation of teacher and student attendance. About 75% of the primary grade's average learning achievement in grades 1, 2, and 3 has been maintained throughout the initiative. Similarly, the partner schools' results exceed 87%, which is significantly higher than the 47.86% national average, even when compared to the SEE result of 2080. The trend of Teachers Learning Circle Meeting has helped increase interaction among different schools within the district and learn from each other. One of the project's successes has been inspiring the government teachers to give their all for the improvement of the learning environment in the classrooms.'

The evaluation team noted that the organization's sponsored teachers received training in lesson planning, active learning, classroom management, topic skills and knowledge, report writing, IT-based skills and knowledge, library usage and management, first aid, etc. Since these educators are disseminating students a top-notch education, technical sustainability can be assured in this regard. In a similar vein, it was found that the local government and the partner school were the project's primary stakeholders.

The project has sponsored 27 female teachers from four different Municipalities of Solukhumbu region in different partner schools, indicating that it has aided in the empowerment of women from diverse ethnic groups. There are five professional staff in total in the center office located in Boudha; three of them are female and female representation is also seen in the Organization's Board.

CITC Nepal, a non-governmental organization, made contributions to the field of education in very remote areas. The endeavour has been beneficial to both the community and the student. Funding for the project has come from Classrooms in the Clouds in West Kirby, Wirral, UK. The project's coordination with the Education office, Ward office, and Rural Municipality has been excellent. The initiative is admirable and pertinent to the country. The team believes that because of its successful efforts, CITC Nepal's future endeavours will eventually contribute to the advancement of the country'

These are taken from video interviews with parents and children regarding Menstrual Health:



Parent at Kanku Secondary School (Panchi Maya Rai):

In my young days, we couldn't afford pads, so we had to use old cloth rags. But now, CITC has done a great job by

providing reusable sanitary pads that meet health needs. Compared to the past, students now have better facilities, and many positive changes are visible. Before, during menstrual emergencies, we had to leave classes in the middle and run home. Therefore, I feel easy these days. The pads are very good and washable and it protects female from uterine issues. As I grew older, I questioned why they never taught me about periods. There was no culture of discussing periods, and I never received any information about it.



Student at Chheskam Secondary School (Ishana Kulung):

I experienced my first menstruation at the age of thirteen while in grade six. Unfortunately, my first period started while I was in class, staining both my clothes and the bench. I was unable to do anything about it. Although I knew about pads, they were neither available in the market nor in school, nor were they distributed by any organization at that time. When I got home, I tore up bedsheets and made them into towels to manage my period. Since CITC began distributing reusable sanitary pads, I have been using them. They are easy to use and absorb well. The CITC teachers taught us to change the cloth every 2 to 3 hours. They provided a calendar to help us track our periods, allowing us to see when it started, when it would end, and how long it lasted. This made managing menstruation much easier.



Teacher at Bakhapalam Secondary School (Laxmi Pandey):

Yes I have been using it and I am liking the Pad very much. I would like to thank CITCNepal for providing the reusable sanitary pads to our students and teachers. Although we use cloth rags at home to manage our periods, it is rare for parents to buy new and clean fabric for this purpose. However, thanks to CITC Nepal, students now have access to new and hygienic pads during their periods. I personally use them and find them very comfortable. Students now have the opportunity to use new cloth pads instead of old rags, allowing them to manage their periods more hygienically. In addition to this, the organization also provides underwear along with reusable pads, which is highly useful. We sincerely hope and request the organization to continue providing reusable pads.

Values

Our **Core Values** shape *what* we do:

- **Creating Opportunity** for communities in need;
- **Socially Aware** – we will endeavour to source materials locally and utilise local labour as far as practically possible;
- **Sustainable** – we will work with local communities to understand and meet their needs, develop a long term, strong relationship and ensure their commitment to a project;
- **Everyone Matters** – we want to reach and influence those most in need and particularly to raise the expectations of women;
- **Release Potential** – we believe we can help children realise their potential, thereby improving their life chances;
- **Maximise the use of Assets** – we recognise the focal point a school provides for a community and we want the benefits from our building projects to be maximised by widespread community use.

Our **Personal Values** shape *how* we do:

- **Passion** – attract passionate people who make a positive difference to those in need;



- **Pragmatism** – aspiring to be the best whilst being realistic, practical and solution focussed;
- **Responsibility** – self-disciplined, taking ownership of issues and problems and leading by example;

- **Cultural Empathy** – being interested in people and cultures, displaying empathy and embracing diversity;

- **Openness to Experience** – receptive to learning opportunities, seeking out new experiences and taking a broad view.

We are a long term partner of school communities;

We are increasing our emphasis and support for women and girls in education;

We are developing the building blocks of education by improving the early years teaching in terms of the built environment, skills and resources.

Activities

We establish long-term partnerships with the schools we support operating in a culturally empathetic way. Specifically we:

- Build classrooms in existing schools;
- Sponsor female teachers give professional development and mentor/support progress;
- Take measures to reduce gender inequality such as menstrual health training, clean water, gender specific toilets and empowerment of women initiatives.



Achievements and performance

Due to the generosity of so many people and organisations, income generation has been strong in 2024. The main financial supporter of CITC remained behind CITC through all the challenges and underpins the ambitions of the team.

A project at the village of Lukla dominated the



building work in 2024. Lukla is where it all started for CITC back in 2007 and it was very exciting to be returning to the school with which CITC has had the longest partnership. The project was in 2 phases:

Firstly to build a fully resourced Learning Centre (a super library), toilets, provide clean water and photo voltaic power with battery back-up. This was enabled by a successful application by the Rotary Club of Mid Wirral for an International Rotary Global Grant with their partner International Organisation the Rotary Club of Dili Bazar. The project extended to include a similar learning hub at both Shree Hunga and Shree



Garma. They would be 'super' libraries fully resourced for the relevant age ranges and with

Interactive Computer Boards with approved education software. Rotarians at Mid Wirral were motivated to act in the memory of one of their former colleagues Andrew Whittingham-Jones. Member of RC Mid Wirral were able to attend the opening ceremony in a very special occasion for the school community.

Alongside this project, work has continued on a 2 storey, 6 classroom build at Shree Lukla due for opening by February 2025.

Shree Lukla, led by long-time Headteacher Bikram Kumar, has consistently improved the education opportunities for children and is now a high performing school. Parents realise this school can match the best of the private schools in Kathmandu. Class sizes can be over 40 children in classrooms of just 20m². The new classrooms will be large, light and airy and very well insulated which is needed at over 2800m. All the early years children will occupy the new classrooms.

A significant feature of these latest projects is the



full involvement of the local Municipalities who are responsible for education in their area. Each has made a contribution of over 20% of the value of the projects which underlines the commitment they make for their children and true community ownership.

Teacher Sponsorship and Development

2024 saw the teacher sponsorship extend to 27 female teachers at 13 locations supported by 4 female Education Support Leaders (ESLs) working in a peripatetic role. In the schools where these teachers work, the school will have agreed to introduce grade teaching to replace subject teaching in the early years. It is widely accepted across the international community that grade teaching is a much more effective approach in the early years to child learning with an emphasis on an activity based approach. The sponsored teachers will work with government teachers in this regard meaning the influence of these new methods extends beyond just the sponsored teachers. As these practices become embedded, the benefits begin to show and the school leadership and school community fully embrace this new approach. So much so that local Municipalities begin to promote this way of learning in further schools.

CITC sponsored teachers receive continuous



development and training and many go on to pass their BEd and are successful in the government teacher exams. It is a sign of success to lose a sponsored teacher which in turn gives another opportunity for an aspiring woman.

CITC ESLs build strong relationships with the school leadership through their regular school visits. They are active in ensuring any CITC building projects are properly maintained and used as planned. They guide and mentor teachers and deliver much of the annual training programme.

ESLs, supported by local CITC sponsored teachers, deliver the menstrual health management (MHM) programme across the lower Solu Khumbu. Whilst this is aimed at adolescent girls, many other female members of the community attend that



indicates how this is an area of concern. The CITC sponsored teacher naturally becomes the 'go-to' person should a female student have any worries or concerns. Over time this has developed a greater awareness of the challenges faced by female students and some schools now provide a rest area specifically for female students should they suffer any discomfort or distress.

The reusable menstrual health kits distributed freely by CITC to female students are made locally at 4 'micro-industries run by local women.

CITCNepal – The NGO Team

CITCNepal employs Samden Sherpa as their Director of Partnerships and Governance, 4 peripatetic Education Support Leaders and a finance officer based in Kathmandu. Roles include the professional development of sponsored teachers, monitoring and reporting on children's progress in supported schools, liaison with education officials and NGOs at a national, regional and local level and overseeing building projects.

Notable success for Samden this year has been the strength of the relations he has developed with the local Municipalities with responsibility for education. The impact of CITC activity appears to be highly regarded and CITC is seen as a welcome partner. Just as the values of CITC mean that we want projects to be 'owned' by local communities, so to do we want the NGO team to increase their influence over decision making in Nepal. This can be seen in day-to-day events and there is a sense that the leadership teams within local schools look to the NGO for guidance, support and opportunities.



Builder Sonam Sherpa, Municipality Chair Mingma Sherpa and School Principal Bikram Kumar

Fundraising

Corporate Fundraising;

Hengistbury Investment Partners LLP
Charitable Trust continue to be incredible supporters of the work in schools in Nepal.

Joint fundraisers;

A team from the litigation section of Latham



Watkins undertook a trek in the Alps that was created by CHX Challenge. In doing so they raised funds for CITC. Maybe the Himalayas next?

Grants and Foundations

Once again, education in Nepal had amazing support from the International Rotary Foundation



International Support



Asia Bookroom Annual Xmas Tree Fundraiser

The Asia Bookroom based in Melbourne, Australia continues to hold a very successful fundraiser every Xmas. The relationship has also meant that they are able to share their expertise regarding books and children's education.

Leicestershire Scouts

Led by Howard Ball, the scouts continue their great work. This time they raised money to create a library at Shree Janata, Lokhim. Traditionally there is little in the way of a reading culture in rural Nepal so a beautiful and well-resourced library brings a whole new learning opportunity for children.



Funds Sent Directly to the CITC NGO in Nepal

CITC places great value on local communities 'owning' projects and expects a significant contribution to a building project. In 2024 the Khumbu Pasang Lhamu Rural Municipality, the Dudhkoshi Rural Municipality and the Sotang Rural Municipality funded 20% of the development work around the Shree Lukla, Shree Garma and Shree Hunga projects respectively with a value of **£67,421.80**. CITC worked closely with the Rotary Club of Mid-Wirral to help them secure an International Rotary Global Grant that, as part of the Rotary governance process, was sent directly to the Rotary Club of Dili Bazar. CITC is the 'Co-operating Organization' (the delivery partner) in the project to create the Learning Centre and Learning Hubs detailed elsewhere in this report, and received **£40,177** in 2024. Finally, the Nepali NGO Board Members, in addition to their voluntary support running the NGO, make a financial donation amounting to **£485.63** in 2024. In total, the projects in Nepal delivered by the NGO team benefitted from **£108,084.43** in 2024 on top of the sums from the CITC UK account.

Trustees/Supporters/Volunteers

CITC is fortunate to have a number of people who make visits to Nepal to maintain strong personal relationships with our Nepali friends, take part in individual projects and ensure funds are used wisely and efficiently. All travel at their own expense to Nepal as part of their personal contribution. As much as possible of materials, goods and services are purchased within Nepal to create further benefit to the low income country. This all contributes to CITC being highly efficient in terms of the ratio of funds spent directly on projects in Nepal.

The attached financial statement shows that the money held by CITC in December 2024 in the UK was £160,526.

Reserves Policy

The Trustees have identified the appropriateness of establishing a defined reserve policy for the charity. The purpose of a reserve policy is to help ensure that the long term objectives of the charity can be met with some form of financial security.

A **Reserve Fund** has been established as an amount sufficient to maintain ongoing operations and programmes for **12 months**. The **Reserve Fund** serves a dynamic role and will be reviewed and adjusted in response to internal and external changes. The target minimum **Reserve Fund** is equal to £100,000 representing 12 months of operating costs averaged over the last 2 years.

Funding Reserves

Trustees of Classrooms In The Clouds agree that the **Reserve Fund** will be established by designating 100,000 from restricted funds as the beginning balance. Trustees will consider the size of the **Reserve Fund** annually.

Investing Reserves

The **Reserve Fund** will be funded and available in cash or equivalent funds in accordance with the risk preferences, liquidity needs and investment objectives of the charity. The reserves will be comingled with the general cash accounts of the charity but segregated in financial reporting.

Using Reserves

Trustees will identify reasons for accessing the **Reserve Fund** and confirm that the use is consistent with the purpose of the reserves as described in this Policy having:

- Analysed the need;
- Considered other funding sources; and
- Created a plan for replenishment.

The Treasurer is responsible for ensuring that the **Reserve Fund** is maintained and used only as described in this policy.

Safeguarding

CITC has a comprehensive Safeguarding Policy approved by Trustees. This policy is brought to life in Nepal through regular training and systematic reporting. The policy is overseen by the CITC Education Advisor.

Safeguarding is a standing item on the agenda of the monthly management committee meeting. The opportunity is taken to raise issues of concern and how they have been or are being dealt with. To date, issues documented have been of a lower level of concern and remedial action taken by the relevant school leadership with guidance from CITC ESLs



Structure, Governance and Management

CITC is governed by its Constitution dated 2 August 2007. In 2017, CITC completed its registration with the Charity Commission for England and Wales. A new company limited by guarantee (Company Number 10471484; Charity Number 1170522) was created. Classrooms In The Clouds Nepal is a registered NGO in Nepal.

In 2024 the total number of trustees was 9. All Trustees will resign at each AGM where each shall then be eligible for re-election. In addition, Trustees may be added at any time with the consent of the Management Committee, provided there are never any more than 7 members of the Management Committee. The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. This requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures 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 charity will continue in business.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ascertain to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constituting 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.

In the interest of transparency and accountability to our donors we publish our annual report, accounts and impact report on the website. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The table below outlines the governance processes followed by CITC:

Organisation/Role	Who	Responsibility
Classrooms in the Clouds	Trustees	Executive Responsibility for CITC strategy including financial decisions and partnerships
Classrooms in the Clouds Nepal	NGO Committee	Delivery and supervision of Projects as agreed by CITC 'on the Ground'
Classrooms in the Clouds	Trustees	Responsible for meeting the legal requirements of a registered charity
Classrooms in the Clouds Nepal	NGO Committee	Responsible for meeting the legal requirement of a Nepal registered NGO
Classrooms in the Clouds	Trustees	Delivering the CITC fundraising strategy and developing relationships with donors and supporters based on integrity, respect and transparency
Classrooms in the Clouds Nepal	NGO Committee	Promoting the aims and objectives of CITC with visitors to Nepal to encourage additional supporters
Classrooms in the Clouds	Trustees	Develop systems and procedures to ensure due diligence of all spending and other matters in order to maximise charity effectiveness
Classrooms in the Clouds Nepal	NGO Committee	To support CITC by working within their systems and procedures
Classrooms in the Clouds	Trustees	To receive and carefully consider petitions and other requests and examine them against local need and charity aims
Classrooms in the Clouds Nepal	NGO Committee	To support the decision making process of CITC by providing timely, relevant and thorough background information on petitions received
Classrooms in the Clouds	Trustees	To make their project decisions on a sound financial basis
Classrooms in the Clouds Nepal	NGO Committee	To deliver projects within the financial assumptions of CITC and report any indication of variances against the agreed plan
Treasurer		To advise on all matters relating to finance and take all reasonable measures to ensure local/international financial rules are followed

Future Plans

Set out below are details of our medium and longer term goals. Undoubtedly their achievement is going to be subject to the ongoing return of the West to more normal conditions and positive economic factors. The Trustees are aware of the potential need to reconsider whether some of these goals are realistically achievable. By 2025 we plan to reach more children by:

- Being recognised as an effective, sustainable and passionate charity;
- Attracting regular, significant donation;
- Attracting corporate partners;
- An infrastructure in Nepal that is efficient and sustainable with a CITC base in Lukla;
- Being able to complete 1 building project a year typically providing 6 new classrooms;
- Where necessary, projects will include gender specific toilets and clean water as part of our support for women and girls;
- By 2024, sponsor up to 30 teachers a year, supporting with training;

- Specifically target improvements in the quality of early years education;
- Refine our monitoring and evaluation processes to provide robust evidence of the success of our projects.
- Ensure that we enhance our communication to supporters around the world and make our annual financial reports available to anyone who would like to see them.
- To grow CITC so it can support multiple projects across the Himalayan region of Nepal;
- 'Cluster' CITC supported activity to foster an atmosphere that encourages professional development and self-achievement;
- Work where appropriate with other NGOs who support our aims and objectives;
- Develop health and well-being initiatives where they can be shown to support our education ambitions;
- Build a core funding base from corporate donations and 'committed givers' supplemented by individual fundraising events and activities.

Trustee Details

Name	Position	Address
*Michael Hagen	Chair Trustee	**18 Sandlea Park, West Kirby, Wirral, CH48 0QF
Sarah Hagen	Secretary Trustee	18 Sandlea Park, West Kirby, Wirral CH48 0QF
David Thomas	Treasurer Trustee	22 Park Close, Oakley, Hants RG23 7LE
Dawa Geljen Sherpa	Trustee/President CITCNepal	Kathmandu
Alex Waller	Trustee	c/o Cheshire FRS HQ, Winsford, CW7 2FQ
Lawrie McLaren	Trustee	Avenue Des Fleurs 22, Woluwe-St-Pierre, B-1150, Belgium
Annette Roberts	Trustee	7 Carr Holme Gardens, Cabus, PR3 1LY
Catherine Owen	Trustee	2 Herrick Road, Scunthorpe, DN17 1NN
Sally Sixsmith	Trustee	c/o St. George's CoE School, St. George's, London Road, Telford TF2 9LJ

*Principal Officer; **Charitable Company registered address

Approved by order of the board of trustees on 22 June 2025 and signed on its behalf by:

M Hagen - Trustee

Independent Examiner's Report to the Trustees of Classrooms in the Clouds

Independent examiner's report to the trustees of Classrooms in the Clouds ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors 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 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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

E Marshall-Birks FCA

Marshall Accountancy Ltd
St Mary's House
Crewe Road
Alsager
Stoke-On-Trent
ST7 2EW

Date:

Classrooms in the Clouds

Statement of Financial Activities for the Year Ended 31 December 2024

		Unrestricted fund £	Restricted fund £	2024 Total funds £	2023 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	256,432	256,432	305,765
Investment income	3	-	1,671	1,671	548
Total		-	258,103	258,103	306,313
 EXPENDITURE ON					
Raising funds		-	-	-	35,153
Charitable activities	4				
Education projects		-	298,757	298,757	268,881
Total		-	298,757	298,757	304,034
 NET INCOME/(EXPENDITURE)		-	(40,654)	(40,654)	2,279
 RECONCILIATION OF FUNDS					
Total funds brought forward		-	197,980	197,980	195,701
 TOTAL FUNDS CARRIED FORWARD		-	157,326	157,326	197,980

The notes form part of these financial statements

Classrooms in the Clouds

Balance Sheet 31 December 2024

	Notes	Unrestricted fund £	Restricted fund £	2024 Total funds £	2023 Total funds £
CURRENT ASSETS					
Cash at bank		-	160,526	160,526	201,156
CREDITORS					
Amounts falling due within one year	9	-	(3,200)	(3,200)	(3,176)
NET CURRENT ASSETS		<u>-</u>	<u>157,326</u>	<u>157,326</u>	<u>197,980</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>-</u>	<u>157,326</u>	<u>157,326</u>	<u>197,980</u>
NET ASSETS		<u>-</u>	<u>157,326</u>	<u>157,326</u>	<u>197,980</u>
FUNDS	10				
Restricted funds				<u>157,326</u>	<u>197,980</u>
TOTAL FUNDS				<u>157,326</u>	<u>197,980</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 22 June 2025 and were signed on its behalf by:

M Hagen - Trustee

The notes form part of these financial statements

Classrooms in the Clouds

Notes to the Financial Statements for the Year Ended 31 December 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

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

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Classrooms in the Clouds

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	<u>256,432</u>	<u>305,765</u>

3. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>1,671</u>	<u>548</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Education projects	<u>263,653</u>	<u>35,104</u>	<u>298,757</u>

5. SUPPORT COSTS

	Finance £	Other £	Totals £
Education projects	<u>171</u>	<u>34,933</u>	<u>35,104</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

	2024	2023
	£	£
Trustees' expenses	<u>901</u>	<u>-</u>

7. OTHER FUNDS RAISED

Whilst these accounts provide details of the financial situation of the registered charity, they do not cover all the outcomes from the charity's fundraising efforts.

CITC places great value on local communities 'owning' these projects and expects a significant contribution to a building project.

In 2024 the Khumbu Pasang Lhamu Rural Municipality, the Dudhkoshi Rural Municipality and the Sotang Rural Municipality funded 20% of the development work around the Shree Lukla, Shree Garma and Shree Hunga projects respectively with a value of £67,421.80.

CITC worked closely with the Rotary Club of Mid-Wirral to help them secure an International Rotary Global Grant that, as part of the Rotary governance process, was sent directly to the Rotary Club of Dili Bazar. These funds were then used to support the project to create the Learning Centre and Learning Hubs detailed elsewhere in this report, with CITC operating as a 'delivery partner' and had a value in 2024 of £40,177.

Finally, the Nepali NGO Board Members, in addition to their voluntary support running the NGO, make a financial donation amounting to £485.63 in 2024. In total, the projects in Nepal delivered by the NGO team benefitted from £108,084.43 in 2024 in addition to the sums sent from the CITC UK account.

Classrooms in the Clouds

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2024 and 31 December 2024	<u>2,057</u>
DEPRECIATION	
At 1 January 2024 and 31 December 2024	<u>2,057</u>
NET BOOK VALUE	
At 31 December 2024	<u>-</u>
At 31 December 2023	<u>-</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Accruals and deferred income	<u>3,200</u>	<u>3,176</u>

10. MOVEMENT IN FUNDS

	At 1/1/24 £	Net movement in funds £	At 31/12/24 £
Restricted funds			
Restricted fund	197,980	(40,654)	157,326
	<u>197,980</u>	<u>(40,654)</u>	<u>157,326</u>
TOTAL FUNDS			
	<u>197,980</u>	<u>(40,654)</u>	<u>157,326</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Restricted funds			
Restricted fund	258,103	(298,757)	(40,654)
	<u>258,103</u>	<u>(298,757)</u>	<u>(40,654)</u>
TOTAL FUNDS			
	<u>258,103</u>	<u>(298,757)</u>	<u>(40,654)</u>

Classrooms in the Clouds

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
Restricted funds			
Restricted fund	195,701	2,279	197,980
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>195,701</u>	<u>2,279</u>	<u>197,980</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Restricted funds			
Restricted fund	306,313	(304,034)	2,279
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>306,313</u>	<u>(304,034)</u>	<u>2,279</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/23 £	Net movement in funds £	At 31/12/24 £
Restricted funds			
Restricted fund	195,701	(38,375)	157,326
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>195,701</u>	<u>(38,375)</u>	<u>157,326</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Restricted funds			
Restricted fund	564,416	(602,791)	(38,375)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>564,416</u>	<u>(602,791)</u>	<u>(38,375)</u>

Classrooms in the Clouds

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2024.

Classrooms in the Clouds

Detailed Statement of Financial Activities for the Year Ended 31 December 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	256,432	305,765
Investment income		
Deposit account interest	<u>1,671</u>	<u>548</u>
Total incoming resources	258,103	306,313
EXPENDITURE		
Charitable activities		
Education projects	263,653	268,881
Support costs		
Finance		
Bank charges	<u>171</u>	180
	171	180
Other		
Trustees' expenses	901	-
Postage and stationery	777	406
Sundries	189	108
Travelling	146	1,306
Administrative support	28,800	28,800
Computer software and maintenance costs	1,009	1,232
Independent examiners' fee	800	776
Insurance	476	450
Foreign currency losses	499	371
Advertising and marketing	<u>1,336</u>	<u>1,524</u>
	<u>34,933</u>	<u>34,973</u>
Total resources expended	<u>298,757</u>	<u>304,034</u>
Net (expenditure)/income	<u><u>(40,654)</u></u>	<u><u>2,279</u></u>

This page does not form part of the statutory financial statements