

**NEPALI CHILDREN'S TRUST CIO**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

# **NEPALI CHILDREN'S TRUST CIO**

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## NEPALI CHILDREN'S TRUST CIO

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

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<b>Trustees</b>	Mrs S J Davies, Chair Mrs M Whitmore (resigned 12 November 2020) Ms D Bunyan Mrs A Young Mr G James Dr J Harvey Mr J Wyld Mrs M Cooper Mrs M Thomas Mr J Jacob Ms C Wilcox (appointed 23 July 2020)
<b>Charity registered number</b>	1181316
<b>Principal office</b>	PO Box 121 Kings Weston Bristol BS11 1AG
<b>Accountants</b>	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL
<b>Bankers</b>	HSBC Bank PLC 8 Canada Square London E14 5HQ

## NEPALI CHILDREN'S TRUST CIO

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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The Trustees present their annual report together with the financial statements of the Nepali Children's Trust CIO for the 1 April 2020 to 31 March 2021.

The Nepali Children's Trust Association ("the Association") was formed in 2005. In December 2018 The Nepali Children's Trust CIO ("the Trust") was formed to be the successor body to the Association and effective from the 31 March 2019 the whole of the business, undertaking and assets of the Association were transferred to the Trust when the Association ceased to carry on business. For all purposes the Trust has been the successor charity to the Association as from 31 March 2019.

#### Objectives and activities

##### a. Policies and objectives

The principal object of the Trust is for the relief of poverty, hardship and distress and the advancement of education among children and young people in Nepal, in particular, but not exclusively, such persons with a disability by such means as the trustees may from time to time determine.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### Achievements and performance

##### a. Review of activities

Over the last year, Nepal has been severely affected by the global pandemic caused by the Covid-19 virus. There have been a series of local and national lockdowns, which have brought most regular activities to a halt. Though subsistence farming has remained at the heart of the country's economic mechanism, tourism, which historically provided the country's principle source of income, has all but disappeared and the economy has been decimated.

Trustees remain in close communication with the principal recipients of our funding and along with our regular commitments have set up emergency funds to be accessed by those most in need.

Since the formation of the Association in 2005, trustees and their supporters have raised in excess of £735,000 to fund purchase of land and construction of a new building for DNC and to encompass other projects for similar organizations.

It is understood that most of the children at DNC returned to their villages since lockdown began and will remain there until the schools and other government buildings re-open. Others, with no families to support them, have remained at DNC with a small staff.

We continue to provide funds for education, healthcare, including specialist therapists and day-to-day expenses for children at DNC as requested. Those with complex needs have been supported to attend the specialist residential school at the SERC centre.

We have previously provided grants to SERC to assist with location and building of a new school and hostel, in addition helping them to secure land for an additional project to provide a sustainable long-term community. Currently building works to provide additional accommodation there and at the school have been put on hold.

SERC continues to offer day therapy services and residential shelter to those of their children most in need during lockdown.

We continue to support the Ability Development Society of Nepal (ADSoN) in conjunction with the Rose International Fund for Children (TRIFC) to provide sponsorship to older students to access further education and vocational training once they have left mainstream education.

## **NEPALI CHILDREN'S TRUST CIO**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Achievements and performance (CONTINUED)**

During the pandemic we established a 'relief fund' for those young people stranded away from their families, with no means of support. These young people have been able to apply for funds via the ADSoN office.

The trustees support the Autism Care Nepal organization with funding for support workers and teaching staff for a period of three years, which ends this year and is predicted to be extended. This allows some of ACN's existing funds to develop their outreach service to assist teachers and families in far-flung locations by providing face to face (when it once again becomes possible) and to develop their virtual training resources.

#### **b. Investment policy and performance**

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme.

#### **Financial review**

##### **a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### **b. Reserves policy**

The trustees have a twofold reserves policy with £5,000 set aside to meet UK based operating costs with a further reserve of £55,000 as a contingency to meet emergency funding. COVID has had a massive impact in Nepal and we have received requests for emergency funds to help ex students to cover basic items such as rent and food. COVID has also affected the ability of the charity to raise charitable funds from events, on the scale that had been achieved pre-COVID times.

##### **c. Financial review**

Total income for the year was £36,251. Total expenditure for the year was £37,765. A net deficit of £1,514 was recorded.

#### **Structure, governance and management**

##### **a. Constitution**

Nepali Children's Trust CIO is a registered charity, number 1181316, and is constituted under a Charity Incorporated Organisation Constitution.

##### **b. Methods of appointment or election of Trustees**

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Charity Incorporated Organisation Constitution.

New trustees are appointed following a rigorous assessment process subject to confirmation by the membership at the Annual General Meeting.

NEPALI CHILDREN'S TRUST CIO

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

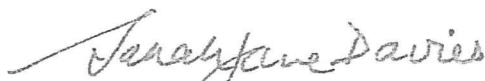
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Trust and of its incoming resources and application of resources, including its income and expenditure, 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 22 September 2021 and signed on their behalf by:



Mrs S J Davies  
Trustee/ Chair

## NEPALI CHILDREN'S TRUST CIO

### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

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#### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NEPALI CHILDREN'S TRUST CIO (the Trust)

I report to the charity Trustees on my examination of the accounts of the Trust for the year ended 31 March 2021.

#### RESPONSIBILITIES AND BASIS OF REPORT

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

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

#### INDEPENDENT EXAMINER'S STATEMENT

Your attention is drawn to the fact that the Trust has prepared the accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the 2011 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.

This report is made solely to the Trust's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Trust's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Trust and the Trust's Trustees as a body, for my work or for this report.

Signed: 

Joe Scaife FCA DChA

Dated: 22/10/2021

**BISHOP FLEMING LLP**  
Chartered Accountants  
10 Temple Back  
Bristol  
BS1 6FL

NEPALI CHILDREN'S TRUST CIO

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Donations and legacies	3	36,251	36,251	168,716
Other trading activities		-	-	8,248
<b>Total income</b>		<b>36,251</b>	<b>36,251</b>	<b>176,964</b>
<b>Expenditure on:</b>				
Raising funds		-	-	1,510
Charitable activities	4	37,765	37,765	78,052
<b>Total expenditure</b>		<b>37,765</b>	<b>37,765</b>	<b>79,562</b>
<b>Net movement in funds</b>		<b>(1,514)</b>	<b>(1,514)</b>	<b>97,402</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		97,402	97,402	-
Net movement in funds		(1,514)	(1,514)	97,402
<b>Total funds carried forward</b>		<b>95,888</b>	<b>95,888</b>	<b>97,402</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 8 to 11 form part of these financial statements.



NEPALI CHILDREN'S TRUST CIO

BALANCE SHEET  
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	7	5,437	16,596
Cash at bank and in hand		91,551	81,906
		<u>96,988</u>	<u>98,502</u>
Creditors: amounts falling due within one year	8	(1,100)	(1,100)
<b>Net current assets</b>		<u>95,888</u>	<u>97,402</u>
<b>Total assets less current liabilities</b>		<u>95,888</u>	<u>97,402</u>
<b>Net assets excluding pension asset</b>		<u>95,888</u>	<u>97,402</u>
<b>Total net assets</b>		<u><u>95,888</u></u>	<u><u>97,402</u></u>
<b>Charity funds</b>			
Restricted funds		-	-
Unrestricted funds		95,888	97,402
<b>Total funds</b>		<u><u>95,888</u></u>	<u><u>97,402</u></u>

The financial statements were approved and authorised for issue by the Trustees on  
23 September 2021 and signed on their behalf by:

  
Mrs S J Davies

The notes on pages 8 to 11 form part of these financial statements.

## NEPALI CHILDREN'S TRUST CIO

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. GENERAL INFORMATION

Nepali Children's Trust CIO is a charity registered in England and Wales. The charity number is 1181316 and address of the registered office is PO Box 121, Kings Weston, Bristol, BS11 1AG.

#### 2. ACCOUNTING POLICIES

##### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Nepali Children's Trust CIO 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.

##### 2.2 GOING CONCERN

Although there are net current assets of £95,888 at the Balance Sheet date the Trustees have carefully considered the recent COVID-19 events and has with these in mind considered the ability to continue as a going concern and believes this to be the appropriate basis on which to prepare the accounts

##### 2.3 INCOME

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Trust, can be reliably measured.

##### 2.4 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 allocated on the portion of the asset's use.

## NEPALI CHILDREN'S TRUST CIO

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 2. ACCOUNTING POLICIES (continued)

##### 2.4 EXPENDITURE (CONTINUED)

Expenditure on raising funds includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Trust's objectives, as well as any associated support costs.

##### 2.5 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 2.6 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.7 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

##### 2.8 FINANCIAL INSTRUMENTS

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### 2.9 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

# NEPALI CHILDREN'S TRUST CIO

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	32,251	32,251	50,772
Legacies	4,000	4,000	-
Funds transferred from the Nepali Children's Trust	-	-	117,944
	<u>36,251</u>	<u>36,251</u>	<u>168,716</u>
TOTAL 2020	<u>168,716</u>	<u>168,716</u>	

### 4. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly 2021 £	Other funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	33,045	1,618	3,102	37,765	78,052
	<u>33,045</u>	<u>1,618</u>	<u>3,102</u>	<u>37,765</u>	<u>78,052</u>
TOTAL 2020	<u>71,117</u>	<u>1,519</u>	<u>5,416</u>	<u>78,052</u>	

### 5. INDEPENDENT EXAMINER'S REMUNERATION

	2021 £	2020 £
Fees payable to the Trust's independent examiner for the independent examination of the Trust's annual accounts	1,100	1,100
	<u>1,100</u>	<u>1,100</u>

### 6. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the period ended 31 March 2021, expenses totalling £nil (2020 - £2,530) were reimbursed or paid directly to 1 Trustee. These reimbursements are principally for costs associated with travel, accommodation and other proper expenses on the part of the Chair visiting the Trust's beneficiaries in Nepal.

**NEPALI CHILDREN'S TRUST CIO**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**7. DEBTORS**

	2021 £	2020 £
<b>DUE WITHIN ONE YEAR</b>		
Other debtors	5,032	16,191
Prepayments and accrued income	405	405
	<u>5,437</u>	<u>16,596</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Accruals and deferred income	<u>1,100</u>	<u>1,100</u>