

KIDASHA

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

Charity Registration: 1106156

Company Registration: 05223851

Priory House

10 Kingsgate Place

LONDON

NW6 4TA

KIDASHA
FOR YEAR TO 30 JUNE 2018

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KIDASHA
FOR YEAR TO 30 JUNE 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number	1106156
Company Registration	05223851
Abbreviated Name	Kidasha
Trustees and Directors	Nicholas Barry (Chair) Ishaan Chilkoti- resigned 7 th December 2017 Alun George Dipak Karki Elizabeth Waterman Julie Yogasundram
Chief Executive and Company Secretary	Janice Miller
Country Director (Nepal)	Jeremy Southon
Registered and London Administrative Office	Priory House 10 Kingsgate Place LONDON NW6 4TA
Website	www.kidasha.org
Independent Examiners	Starfish Accounting Ltd The Bowler Barn, Bartletts Court, Bath Road Littlewick Green, Berkshire, SL6 3RX
Principal Bankers	HSBC Bank PLC 60 Queen Victoria Street London, EC4N 4TR
Solicitors	Bates, Wells & Braithwaite 10 Queen Street Place London, EC4R 1BE

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TRUSTEES' REPORT

The Trustees present their annual report and financial statements for the twelve months ending on 30th June 2018.

1) Objectives & Activities

Kidasha is a UK-registered charity dedicated to improving equality of opportunity for children in Western Nepal. It works in partnership with local NGOs in Nepal to reduce the causes and impact of entrenched poverty and social exclusion, stopping exploitation and violence against children in Nepal by

- Improving physical and emotional wellbeing
- Reducing neglect, abuse and exploitation
- Increasing participation in learning and positive employment

Each partnership is governed by an individual project agreement, but in essence, local partners are responsible for the delivery of services and interventions, whilst Kidasha provides capacity- building assistance, technical support and advocacy.

Kidasha has a five- year operating agreement with the Nepal government which means that all its work is regularly monitored and evaluated at the local and national level

Kidasha also advocates for children's rights in Nepal and internationally and is a member of the Consortium for Street Children (charity no. 104759) – see www.streetchildren.org.uk and the Association of International NGOs in Nepal – see www.ain.org.np.

2) Governing Instruments

The governing instruments of Kidasha are its Memorandum & Articles of Association, as amended by a written resolution of the members, dated 29th March 2006.

3) Structure, Governance & Management

The organisation was incorporated as a company limited by guarantee on 7th September 2004, taking over the work of a charitable trust, also known as Child Welfare Scheme (charity number 1061699) registered on 8th April 1997 (“the original charity”).

The executive leadership of Kidasha is the responsibility of the Chief Executive, who reports to a UK-based Board of Trustees, as shown on page 3. The majority of Kidasha staff are Nepali nationals working in Pokhara, supported by a small UK office in London. Kidasha recognises the importance of a proper division of responsibilities between the Chief Executive and the Board of Trustees.

Trustees are generally appointed after public advertisement, with new appointees being inducted according to the guidance laid down by the Charity Commission.

The Trustees hold formal meetings at least four times a year but are in regular contact at other times as required.

The Trustees have regard to the official guidance of the Charity Commission for England & Wales and the Hallmarks of an Effective Charity (CC 10, 2008). In addition, we have considered the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. The Trustees consider how planned activities will contribute to the aims and objectives they have set.

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TRUSTEES' REPORT cont'd

4) Nepal Context

Following the promulgation of a new constitution back in 2015 and the decision to transition to a federal state, the implementation of federalism and the devolution of power has been slow and confusing and there are still many areas where there is a lack of clarity re roles, responsibilities and procedures, particularly at the provincial level where law and policy has yet to be promulgated. This has created an intermittent vacuum in local systems and decision-making, which together with major personnel changes (sometimes involving the recruitment of officers with limited or no experience of the issues to be addressed) has meant that we have had to revise our approach to influencing government policy and practice.

Furthermore, the government has recently issued new legislation aimed to better control the work of I/NGOs, which risks adding multiple layers of bureaucracy to project approvals, reporting and licences to operate. This new legislation should not impact on project activities which are already approved and the Association of INGOs in Nepal (AIN), of which we are a member, is working to lobby the government to ensure any new legislation is practical and appropriate and in parallel we are developing contingency plans to ensure that any changes do not overly impact our front-line work.

5) Programme Review

Despite the changes to our operating context outlined above, implementation of the revised strategy we introduced towards the end of last FY, has progressed well during the year and we exceeded most of our planned targets. However, the funding environment remains increasingly challenging and as such we have had to reduce some of our ambitions and set more realistic targets, but at the same time have continued to work closely with our partners to find even more cost effective and innovative ways of delivering support.

Also due to the breadth and complexity of our overall programme strategy, we initially struggled to establish a workable logical monitoring framework. However, thanks to some pro-bono support from New Philanthropy Capital, we created a manageable framework that better captures the soft outcomes of our work. The consultant also created a model of our 'Pathways to Change' to illustrate our fundamental approach to achieving sustainable systemic change.

Our work remains largely based in and around Pokhara Metropolitan City (PMC) - Nepal's second largest city, a popular tourist destination and now also a provincial capital within the new federal structure. As such, it is a city in which the number of slum communities continues to grow each year, as more and more families and unaccompanied children migrate from rural villages in search of improved livelihood opportunities. The work we started last year in Butwal, another rapidly growing city very close to the Indian border, is also continuing and builds heavily on learning from our Pokhara-based work.

Some notable results from our work in both Pokhara and Butwal over the year are as follows:

- **Fit to Grow**

We refined the Life Skills Education (LSE) course that we developed and piloted last year to enable it to be delivered in local government schools. We have since received very positive feedback from both students and teachers, including observations of reduced truancy and substance use. We now have agreement to work with twenty-five schools to mainstream LSE into the school curriculum and will increasingly involve teachers in the delivery of the course, with the ultimate aim of them being able to deliver it themselves.

In partnership with the City Health Desk, we completed a rapid assessment of all Urban Health Centres in Pokhara, and as a result not only increased understanding of key issues but also secured government resources to improve facilities in three of the centres. Over the next year we want to

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TRUSTEES' REPORT cont'd

provide input to more UHCs with a particular focus on making them more accessible for marginalised and vulnerable adolescents.

We have also continued to deliver awareness-raising activities through outreach and our Drop-In Centres and shelters for street, working and at-risk children on the risks and issues (e.g. substance abuse, trafficking, sexual health) affecting the lives of these vulnerable children. our work through we have continued to conduct.

During this last year over 2,000 children were reached with life skills and awareness interventions.

- **Safe to Grow**

Over the year through two shelters, one midway home and six drop-in centres in Pokhara and Butwal we provided protection services to children living in crisis situations including:

- 938 Working or At-Risk Children
- 148 Street-Involved Children
- 137 Girl Victims of Sexual Abuse and Exploitation

Over the year, we helped 113 children return to their families or to live independently and referred 30 younger children unable to return to their families, to longer-term residential care. This involved supporting our partners to work intensively with 322 families to strengthen their socio-economic situations and be better able to care for their children.

We also increased our outreach support for working children – particularly the growing number working in garages and workshops. This involved significantly increasing our engagement with business owners and trade associations to improve working conditions and benefits. We also persuaded some employers to allow us to deliver non-formal education, functional learning and health awareness interventions actually in the workplace; and the Automobile Workshop Association, to add a condition to its bylaws that no member should employ a child below 14 years.

- **Learn to Grow**

During the year we supported 882 of the poorest children into mainstream education, in addition to providing financial support for books uniforms and exam fees we also worked intensively with parents to ensure their commitment and support to their children's education, particularly in ensuring regular attendance. We also succeeded in persuading schools to increase the number of fee waivers or discounts they provide for the poorest children.

406 children and young people whose circumstances were such that attending mainstream education was not a realistic proposition (e.g. working adolescents) participated in alternative learning opportunities. Classes were run from our shelters, in centres and through our innovative functional learning initiative that is delivered in young people's workplaces. We also introduced a new initiative during the year – 'homework classes' delivered by volunteers for 181 children in seven locations, designed to provide additional tuition for children transitioning back into school.

In addition, 81 young people benefited from on-the-job training, vocational training or business start-up support. However, we are noting a trend in the number of young people opting for on-the-job training rather than vocational training in that it enables them to earn some income while training.

Our Children's Development Bank continues to promote and support positive livelihoods for young people with 1061 active account holders during this year.

6) Financial Overview

Total income in the year increased to £415K from £385K in the previous year. The major contribution being the second tranche of the three-year grant from a HK Foundation which underpins our Nepal-based operations. We also received the final tranche of a capacity building grant from a UK Foundation which funded additional fundraising resource and activities in the UK. The benefit from this investment is particularly apparent in our success in raising £120K of unrestricted income, which whilst comparable

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TRUSTEES' REPORT cont'd

to the previous year, came from a more diverse range of sources. Both these grants supported us to leverage smaller grants from ten new Trusts and Foundations.

Whilst this is very positive, the funding environment remains challenging, with a significant investment of time and resource needed to obtain even the smallest grants from institutional donors and more imaginative ideas needed to attract public funding. A further challenge is persuading potential donors, about the need to invest in project staff and recurring costs, when many believe that services can be delivered by volunteers and prefer to invest in infrastructure or assets. Considering the vulnerability of our target beneficiaries and the complexity of issues they face, without the support of trained and committed staff we have little hope of delivering sustainable change, enabling self-sufficiency and reducing reliance on foreign aid.

We have continued to review our operational costs to identify more cost-effective ways to support and deliver our programme and to engage volunteer support for 'back office' activities whenever possible. Notably we have reduced our core UK costs 12% by increased voluntary input by staff and by moving to a less expensive office.

In summary some specific points of note from the financial statements are as follows:-

- Total income was 8% higher than the previous year
- Unrestricted income was £120,872 and the same level as the previous year
- Fundraising expenditure was 20% of total expenditure compared to 22% in the previous year
- The balance sheet shows £365,675 cash in the bank on 30th June 2018 (2017: £321,835)
- A new vehicle for use in Nepal was purchased with a restricted grant from a Swiss foundation, resulting in a fixed asset value at the year-end of £23,547.

7) Risk Review

As Trustees, we monitor any major risk factors, e.g. political instability and exchange rate movements, which might adversely impact the organisation and are satisfied that there are appropriate mitigation systems and processes in place to minimise any exposure.

8) Reserves Policy

The charity relies entirely on voluntary donations and grants for funding and is therefore unable to determine with certainty the consistency and regularity of income. The Trustees consider it prudent to retain enough free reserves to maintain current activities for a period of three months. Free reserves are unrestricted funds not committed or invested in fixed assets and at 30th June 2018, totalled £112,115 (Financial year 2016/17: £74,430).

A closing note from the Chair

It has been a challenging year for Kidasha, whilst we have successfully raised a significant amount of unrestricted funds, we have found it very difficult to secure specific project funds from major donors.

During a visit I personally made to Nepal this year (February 2018) I found that our partners work tirelessly to deliver the projects mentioned earlier in this report and that the individuals and communities with which they work are benefiting greatly from the work they do with our support. It was a humbling experience and reignited the passion I have for the projects and support that we provide.

Kidasha faces many challenges in the coming year due to the environment in which we work. Competition for funding in the UK is becoming more and more difficult despite the success we have delivering projects that have positive impacts. We also face changes in Nepal that will impact on the way we are able to do business. The Board, the CEO, and the team are determined to ensure that we rise to these challenges and continue to support the many children who need our help.

I would like to thank all those individuals and organisations that have contributed towards the work that we have done during the year. We really appreciate your time and your generosity

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STATEMENT OF TRUSTEES' & DIRECTORS' RESPONSIBILITIES

The Trustees, who are the directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3. They 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).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees should follow best practice and are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees 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.

Provision of information to Independent Examiners

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that, so far as the Trustees are aware:

- There is no relevant information of which the charitable company's independent examiners are unaware; and
- The Trustees have taken all steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's independent examiners in connection with preparing their report and to establish that the charitable company's independent examiners are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities 2015 FRS102.

Approved by the Trustees as a body on 14th November 2018 and signed on their behalf by:


Nicholas Barry
Chair

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Independent Examiner's Report to the Members of Kidasha

I report on the accounts of Kidasha for the year ended 30 June 2018, set out on pages 10 to 20.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which give me cause to believe that in any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 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.



Georgina Rollings MA (Cantab) FCA

For and on behalf of Starfish Accounting Limited
The Bowler Barn, Bartletts Court,
Bath Road, Littlewick Green, Berkshire,
SL6 3RX

Date 13 November 2018

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STATEMENT OF FINANCIAL ACTIVITIES

Note	Unrestricted Funds 2017/18	Restricted Funds 2017/18	Endowment Funds 2017/18	Total 2017/18	Total 2016/17	
Income and endowments from:						
Donation and legacies	2	119,520	293,500	-	413,020	381,478
Other trading activities	3	924	-	-	924	1,972
Investments		63	-	1,284	1,347	1,336
Other		365	-	-	365	762
Total		120,872	293,500	1,284	415,656	385,548
Expenditure on:						
Raising funds	4	25,518	47,650	-	73,168	95,766
Charitable activities	4	62,173	222,852	-	285,025	345,434
Total		87,691	270,502	-	358,193	441,200
Net income (expenditure) before gains and losses						
		33,181	22,998	1,284	57,463	(55,652)
Other recognised gains/(losses):						
Gains/(losses) on revaluation of currency		7,241	(10,395)	(1,367)	(4,521)	8,676
Net income (expenditure) for the year		40,422	12,603	(83)	52,942	(46,977)
Transfers between funds						
		(2,737)	2,737	-	-	-
Net movement in funds		37,685	15,340	(83)	52,942	(46,977)
Reconciliation of funds:						
Total funds brought forward		74,430	194,802	39,048	308,280	355,256
Total funds carried forward		112,115	210,142	38,965	361,221	308,280

All amounts relate to continuing activities. There are no recognised gains and losses other than those dealt with in the above Statement of Financial Activities.

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BALANCE SHEET AS AT 30 JUNE 2018

	Note	30 June 2018 £	30 June 2017 £
<u>Fixed assets:</u>			
Tangible assets	8	23,547	-
<u>Current assets:</u>			
Debtors	9	1,995	16,169
Cash at bank and in hand		<u>365,675</u>	<u>321,835</u>
		367,670	338,004
<u>Liabilities:</u>			
Creditors: Amounts falling due within one year	10	<u>1,920</u>	<u>5,874</u>
Net current assets or liabilities		365,750	332,130
Total assets less current liabilities		389,297	332,130
Creditors: Amounts falling due after more than one year	11	28,075	23,850
Provisions for liabilities			
Total net assets or liabilities		<u><u>361,222</u></u>	<u><u>308,280</u></u>
The funds of the charity:			
Endowment funds	12/13	38,965	39,048
Restricted income funds	12/13/14	210,142	194,802
Unrestricted funds	12/13	112,115	74,430
Revaluation reserve		-	-
Pension reserve		-	-
Total charity funds		<u><u>361,222</u></u>	<u><u>308,280</u></u>

These financial statements were approved by the Trustees and authorised for issue on

14th November 2018
..... and are signed on their behalf by


Nicholas Barry
Chair

Company Registration Number 05223851

The notes form part of these financial statements

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STATEMENT OF CASH FLOWS

	Notes	30 June 2018 £	30 June 2017 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by/(used in) operating activities	a	70,561	(80,325)
Cash flows from investing activities:			
Interest from investments		1,347	1,336
Purchase of fixed assets		(23,547)	-
(Losses)/gains on currency		<u>(4,521)</u>	<u>8,676</u>
 CHANGE IN CASH AND CASH EQUIVALENTS FOR THE YEAR		 43,840	 (70,313)
Cash and cash equivalents brought forward at 01/07/2017	b	<u>321,835</u>	<u>392,147</u>
 CASH AND CASH EQUIVALENTS CARRIED FORWARD AT 30 JUNE 2018, 2017	 b	 <u><u>365,675</u></u>	 <u><u>321,835</u></u>

a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

		30 June 2018 £	30 June 2017 £
Net income/(expenditure) for the year as per the Statement of Financial Activities		52,942	(46,977)
Adjusted for:			
Interest from investments		(1,347)	(1,336)
Losses/(gains) on currency		4,521	(8,676)
Decrease/(increase) in debtors		14,174	(11,884)
Increase/(decrease) in creditors		(3,954)	(4,988)
Increase/(decrease) in staff gratuity & leave provision		<u>4,225</u>	<u>(6,465)</u>
		<u>17,619</u>	<u>(33,349)</u>
Net cash provided by/(used in) operating activities		<u><u>70,561</u></u>	<u><u>(80,326)</u></u>

b) Analysis of cash and cash equivalents

		30 June 2018 £	30 June 2017 £
Cash at bank and in hand		<u><u>365,675</u></u>	<u><u>321,835</u></u>

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NOTES TO THE ACCOUNTS

1) Accounting Policies

(a) Basis of accounting

- The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" 2015 FRS102, applicable accounting standards and the Companies Act 2006.

(b) Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal. The aim and use of each restricted fund is set out in the notes to the financial statements.
- Endowment funds are expendable, but such funds are restricted to supporting day care health centres in the Kaski district of Nepal.

(c) Incoming resources

- Grants and other designated project funding and donations are accounted when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.
- All incoming resources have been included gross of expenditure.
- Legacies are included either when notification has been received from personal representatives acting for the deceased or when the legacy is received, whichever is the sooner.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Income from investments and bank interest are accounted for on a receivable basis.
- Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of donation.

(d) Resources expended

- Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates. Where necessary, expenditure incurred is allocated to various resources expended categories on a reasonable basis, appropriate to that expenditure, for example staff time is one basis used by the charity.
- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit and independent examination fees and costs linked to the strategic management of the charity.

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NOTES TO THE ACCOUNTS cont'd

- Provision is made for staff gratuity calculated based on number of service years completed. Nepal staff are entitled to receive one-month equivalent salary for each completed service year.
- Nepal staff can carry forward up to 10 days of unused annual leave per year. It can be accumulated up to 60 days. Provision has been made for unused annual leave based on current basic salary scales.

(e) Depreciation of fixed assets

- Expenditure on office equipment, motor vehicles and furniture and fittings are capitalised if more than £2,500 and are depreciated on a straight-line basis at 25% per annum.

(f) Foreign currency translation

- Foreign currency transactions arising in the year for the Nepalese branch are translated at the year-end based on an average exchange rate applicable across the financial year. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any exchange differences are taken to the statement of financial activities.

2) Income Analysis

	Unrestricted Donations 2017/18 £	Restricted Donations 2017/18 £	Total Donations 2017/18 £	Total Donations 2016/17 £
Grants over £10,000:	30,000	254,479	284,479	276,396
Grants and donations less than £10,000:				
Corporate	17,500	-	17,500	150
Individuals (inc. Gift Aid)	55,649	4,490	60,139	84,014
Schools & Universities	738	-	738	-
Trusts & Foundations	15,633	34,531	50,164	20,917
GRAND TOTAL	119,520	293,500	413,020	381,477

3) Other Trading Activities

	Unrestricted 2017/18 £	Restricted 2017/18 £	Total 2017/18 £	Total 2016/17 £
Sales of Goods/Tickets	924	-	924	1,972
Total	924	-	924	1,972

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NOTES TO THE ACCOUNTS cont'd

4) Analysis of Resources Expended

	Unrestricted 2017/18 £	Restricted 2017/18 £	Endowment 2017/18 £	Total 2017/18 £	Total 2016/17 £
Raising funds					
Staff salaries	21,750	41,590	-	63,340	67,279
Consultancy fees	-	-	-	-	1,920
Marketing	1,428	60	-	1,488	2,553
Fundraising activities	2,340	6,000	-	8,340	23,394
Other	-	-	-	-	620
Total raising funds	25,518	47,650	-	73,168	95,766
Charitable activities					
Partner costs	-	121,631	-	121,631	164,690
Staff salaries, fees and insurance	45,028	79,812	-	124,840	118,774
Other staff costs	3,434	3,752	-	7,186	5,891
Office costs	7,089	15,050	-	22,139	20,386
M&E (external)	-	1,755	-	1,755	20,720
Governance costs	6,567	-	-	6,567	14,015
Other expenses	56	852	-	907	958
Total charitable activities	62,173	222,852	-	285,025	345,434
Total expenditure	87,691	270,502	-	358,193	441,200

5) Net Incoming Resources for the Year

This is stated after charging:

	2017/18	2016/17
	£	£
Auditors' and Independent Examiners remuneration	1,577	754
Operating lease rentals – property	10,590	11,970
	=====	=====

6) Transactions with Trustees

There were no transactions with Trustees in the year. (2016/17 Nil)

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NOTES TO THE ACCOUNTS cont'd

7) Staff Costs

Staff costs were as follows:

	2017/18	2016/17
	£	£
Salaries, fees and wages – UK	99,852	99,671
Employer's NI - UK	6,064	6,854
Redundancy costs	-	3,669
Salaries and wages - Nepal	81,747	75,711
	187,663	185,905
	=====	=====

The average number of staff in the year was as follows:

	No.	No.
Staff in UK	3.0	3.0
Staff in Nepal	<u>9.0</u>	<u>9.0</u>
Total	12.0	12.0

- The key management personnel of the charity are listed on page 3 of these accounts.
- The total amount of employee benefits (including employer pension contributions) received by the management team for their services to the charity for the year was £67,500 (2017: £64,888)
- No employee was paid more than £60,000 in the year (2017: same)
- No remuneration, reimbursement of expenses or other transactions were paid to the Trustees in the year (2017: £nil)

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NOTES TO THE ACCOUNTS cont'd

8) Tangible Fixed Assets

	Fixtures, fittings & equipment £	Plant and machinery £	Motor Vehicle £	Total £
Cost or valuation				
At 1 July 2017	20,931	14,756	-	35,687
Additions	-	-	23,547	23,547
Disposals	-	-	-	-
Revaluations	-	-	-	-
Transfers	-	-	-	-
At 30 June 2018	20,931	14,756	23,547	59,234
Depreciation and impairments				
At 1 July 2017	20,931	14,756	-	35,687
Disposals	-	-	-	-
Depreciation	-	-	-	-
Impairment	-	-	-	-
Transfers	-	-	-	-
At 30 June 2018	20,931	14,756	-	35,687
Net book value at 1 July 2017	-	-	-	-
Net book value at 30 June 2018	-	-	23,547	23,547

9) Debtors

	Total 2017/18 £	Total 2016/17 £
Debtors and Prepayments	1,048	13,348
Gift Aid Claimed	947	2,821
	<u>1,995</u>	<u>16,169</u>

10) Creditors: Amounts Due Within One Year

	Total 2017/18 £	Total 2016/17 £
Taxation and social security	318	5
Other creditors and accruals	1,602	5,869
	<u>1,920</u>	<u>5,874</u>

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NOTES TO THE ACCOUNTS cont'd

11) Creditors: Amounts Due After More Than One Year

	Total 2017/18 £	Total 2016/17 £
Staff Gratuity Provision	22,239	19,144
Staff Leave Provision	5,836	4,706
	<u>28,075</u>	<u>23,850</u>

12) Analysis of Assets between Funds

	Unrestricted Funds 2017/18 £	Restricted Funds 2017/18 £	Endowment Funds 2017/18 £	Total 2017/18 £
Fixed Assets	-	23,547	-	23,547
Debtors	1,995	-	-	1,995
Cash	140,115	186,595	38,965	365,675
Creditors	(29,995)	-	-	(29,995)
	<u>112,115</u>	<u>210,142</u>	<u>38,965</u>	<u>361,222</u>

13) Analysis of Net Assets between Funds

	B/f £	Incoming £	Outgoing £	Revaluation £	Fund transfer £	C/f £
Restricted funds:						
Programme funds	170,275	225,965	(222,853)	(10,395)	(664)	162,328
Other funds	24,527	67,535	(47,650)	-	3,401	47,813
Total restricted funds	<u>194,802</u>	<u>293,500</u>	<u>(270,502)</u>	<u>(10,395)</u>	<u>2,737</u>	<u>210,142</u>
Total unrestricted funds	74,430	120,872	(87,691)	7,241	(2,737)	112,115
Total endowment funds	39,048	1,284	-	(1,367)	-	38,965
Total funds	<u>308,280</u>	<u>415,656</u>	<u>(358,193)</u>	<u>(4,521)</u>	<u>-</u>	<u>361,222</u>

KIDASHA
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NOTES TO THE ACCOUNTS cont'd

14) Movement in Funds

	Bal B/F	Income	Grants to Partners	Other Costs	Exchange (G)/L	Fund Transfers	Bal C/F
	£	£	£	£		£	£
<u>Programme Funds</u>							
<u>Pokhara</u>							
Inspire to Grow	108,407	117,215	-	79,978	7,839	24,634	113,171
Street and Working Children	31,493	66,593	74,752	7	2,338	(23,438)	44,427
Urban Health & Wellbeing	17,036	4,928	12,762	7,120	795	(3,443)	4,730
Child Labour	229	-	-	-	8	221	-
Families in Chronic Urban Poverty	152	-	-	-	5	147	-
Earthquake Affected Families	2,174	-	-	-	76	2,098	-
<u>Rupandehi</u>							
Education and Child Labour	5,596	37,229	31,560	14,118	(847)	(2,006)	-
Safe Motherhood	1,635	-	-	-	57	1,578	-
<u>Kapilvastu</u>							
Early Childhood Development	3,553	-	2,556	-	124	873	-
Total Programme Funds	170,275	225,965	121,630	101,223	10,395	664	162,328
<u>Other Funds</u>							
Vehicle Replacement	-	22,660	-	-	-	(3,401)	26,061
Organisational Development	24,527	44,875	-	47,649	-	-	21,753
Total Other Fund	24,527	67,535	-	47,649	-	(3,401)	47,814
Total Restricted Funds	194,802	293,500	121,630	148,872	10,395	(2,737)	210,142

Each restricted fund is an operating fund relating to an individual project.

Grants and donations provided for specific projects by donors are allocated on receipt to the appropriate project operating fund.

The funds are expended by the allocation of grants to local partners and in some cases by sums being allocated to Kidasha core costs, the values of which are agreed at the outset with individual donors, based on a detailed project budget.

Actual project costs are monitored and reported to Kidasha by the relevant local partners, who then report back to individual donors as required.

The purpose of each fund is as follows: -

Programme Funds

- **Inspire to Grow** – to increase the aspiration and resilience of vulnerable children and young people growing up in urban poverty in PLMC and support the programme and operational team in Nepal office
- **Street and Working Children Programme** – to support the protection, development and wellbeing of street, working and at-risk children in Nepal.

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NOTES TO THE ACCOUNTS cont'd

- **Urban Health & Wellbeing**– to improve the health and wellbeing of children and adolescents living in urban poverty in Pokhara Lekhnath Metropolitan City (PLMC).
- **Child Labour, Families Living in Chronic Urban Poverty and Earthquake Affected Children** – these funds are now depleted, but much of the work is ongoing within the three funds notes above.
- **Education and Child Labour** – to support the protection and development of out of school and working children in Rupandehi district.
- **Safe Motherhood (Rupandehi) and Early Childhood Development (Kapilvastu)** – this work has now been phased out as planned

Other Funds

- **Organisational Development (Fundraising Capacity)** – investment grant to build organisational fundraising capacity
- **Vehicle Replacement Fund** – a capital fund for vehicle replacement in Nepal

15. Operating Lease Commitments

As at 30 June the charity had no future minimum lease payments under non-cancellable operating leases.

16. Share Capital

The five members of the charity agree to contribute £1 in the event of the charity being wound up.