

# **KIDASHA**

**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2022**

**Charity Registration: 1106156**

**Company Registration: 05223851**

**Priory House  
10 Kingsgate Place  
LONDON  
NW6 4TA**

**KIDASHA  
FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

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**KIDASHA  
FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**REFERENCE AND ADMINISTRATIVE DETAILS**

Charity Number	1106156
Company Registration	05223851
Abbreviated Name	Kidasha
Trustees and Directors	Nicholas Barry (Chair) Alun George Elizabeth Waterman Alexander Fahie (Resigned 8 <sup>th</sup> December 2021) Marco Rimini (Resigned 30 <sup>th</sup> September 2022) Nidhi Mittal Andrew McKee Krishna Upadhyaya (Resigned 16 <sup>th</sup> May 2022) Anthony Levy Rosie Hazeldine (Appointed 25 <sup>th</sup> October 2022)
Chief Executive and Company Secretary	Janice Miller
Registered and London Administrative Office	Priory House 10 Kingsgate Place London NW6 4TA
Website	<a href="http://www.kidasha.org">www.kidasha.org</a>
Independent Examiner	Nicola Anderson FCA FCIE 189 Baldwins Lane Croxley Green Rickmansworth Herts WD3 3LL
Principal Bankers	HSBC Bank PLC 60 Queen Victoria Street London EC4N 4TR
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE

# KIDASHA FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022

## TRUSTEES' REPORT

The Trustees present their annual report and financial statements for the twelve months ending on 30th June 2022.

### **1. Objectives & Activities**

Kidasha is a UK-registered charity dedicated to improving the equality of opportunity for children in western Nepal. It works in partnership with local NGOs 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, within which the local partner is responsible for the delivery of services and interventions and Kidasha for providing capacity-building assistance, technical support, monitoring and evaluation, 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.

### **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. 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 nominated by current members of the Board of Trustees, and approved by a majority vote of the Board. New appointees are 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.

### **4. Nepal Context**

The wider impacts of the global COVID-19 pandemic continued to disrupt our operating context, particularly in the first half of the FY. Starting in July, a further two-month national lockdown was introduced to mitigate the disastrous impact of the second wave, including overburdened hospitals and critical shortages of oxygen and key medical supplies. By October, the situation started to return to normal as vaccination rates increased and infection rates reduced and schools finally re-opened in November. The third wave (Omicron) from January 2022 was fortunately much less severe in terms of hospitalisations and fatalities. School closures were limited and only introduced in response to localised infection rates.

# KIDASHA FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022

## TRUSTEES REPORT Cont'd

However, the severity of the longer term social and economic impacts of the pandemic, particularly on the poorest children and families living in urban slums and dependent on daily wage labour, continued to increase. Many sources of livelihood or supplementary income have still not fully recovered, notably tourism and migrant labour opportunities (primarily to Malaysia and Gulf countries), the latter being the largest source of income for many Nepali families. The situation was exacerbated in the latter part of the year by the global economic and supply crisis resulting from the war in Ukraine. Escalating inflation disproportionately impacts the poorest due to the majority of their normal expenditure being on basic food, and therefore is essential rather discretionary. Without effective social protection schemes or safety nets nor a diversified economy, the struggle for survival for many families significantly increases the risks, particularly for children, of family breakdown, trafficking, child labour, unnecessary institutionalisation, abuse and exploitation.

### **5. Programme Review**

As always, our work during the year focussed on supporting the hardest to reach children and young people living in chronic urban poverty, a population severely affected by both the pandemic and the emerging global economic crisis and overlooked by many international organisations due to the relatively high average socio-economic indicators of urban areas.

The majority of our work continued to be in Pokhara Metropolitan City - Nepal's second largest city, a popular tourist destination and the capital of Gandaki Province. The number of slum communities and informal settlements continues to grow each year in Pokhara, as more and more families and unaccompanied children migrate from rural villages in search of improved livelihood opportunities. We also continued to expand our activities in Butwal, a rapidly growing industrial city in the south of Nepal and a major trade and transport hub due to its proximity to the border with India.

By December 2021, we were not only able to resume all our regular programme activities, but also able to renew our focus on rolling out our longer-term strategy. This included the expansion of Life Skills Education (LSE) across Pokhara, replication of LSE in Butwal and the scale-up of our pilot work to establish community-based children protection systems in Pokhara. We also negotiated a new programme agreement with the Government of Nepal for the period 2022-2025, including expansion of our work in Butwal and identification of new urban areas.

Over the year, our projects supported 7,434 children and young people (52% girls), including 2,481 children provided with intensive support and case management. Progress across our three core programme areas was as follows:

- **Fit to Grow: Improving physical and emotional wellbeing**

Our most notable achievement in the year was the LSE course which we developed and have been delivering in 30 government schools, being formally integrated into the lower secondary school curriculum in Pokhara Metropolitan City. The initiative was initially funded by the FCDO, but following the UK Government's decision to cut its investment in overseas development, funding was stopped in August 2021, and the project was then latterly funded by generous support from the Manan Trust.

Feedback from the FCDO during their phase out review including the following:

*"The grant holder demonstrated agility and flexibility to achieve much of what they originally expected despite the many challenges of the COVID-19 pandemic... Other key strengths of the project included the sustainability approach and social inclusion. The attention to the engagement of, and support from, a range of stakeholders demonstrated a strong focus on achieving a lasting impact."*

In spite of COVID related restrictions shortening the academic year, high demand from teachers and students meant that we still managed to fully deliver the LSE course in 30 government schools in Pokhara benefitting 2,195 children. There are now 88 teachers across the schools with the skills and capability to deliver the course independently, with minimum input from the project. Furthermore, because the course is designed such that teachers have to adopt a facilitative, participatory teaching approach (rather than the usual 'talk and chalk') there is clear evidence of a wider positive impact on their teaching of other subjects.

# KIDASHA FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022

## TRUSTEES REPORT Cont'd

At the request of local authorities and other schools in Pokhara, we expanded the programme to a further 30 schools at the start of the new academic year in May 2022. This means that LSE is now being delivered to over 4,000 students per year, across 60 schools. We also recently started to introduce LSE in Butwal, partnering with local education authorities and 15 government schools.

LSE was also delivered as part of our *Learning for Life* project with out-of-school adolescent girls in Butwal and Pokhara. During the year, 1,036 girls participated in 88 community-based peer groups. Feedback from the first cohort was extremely positive with girls' self-assessment of their life skills and behaviours (e.g., coping with stress, drugs and alcohol, positive relationships) on average increased from 60% before the course to 88% at the end of their course.

From November 2021, we were able to restart our *Breaking Boundaries* project which we initially launched in 2019 in partnership with the Marylebone Cricket Club Foundation. This pilot project in 14 schools in Pokhara benefitted 1,115 children (including 452 girls) who were actively engaged in the programme. The project has notably contributed to increasing the engagement of girls in sport, giving them the confidence and opportunity to participate in extracurricular activities from which they were traditionally excluded.

- **Safe to Grow: Reducing neglect, abuse and exploitation**

Over the year through our rehabilitation shelter, midway home, six community centres and outreach work in Pokhara and Butwal, despite the challenges of the pandemic restrictions we continued to provide protection services to children living in crisis situations including 644 working children, 92 street-involved children and 2,132 at-risk children. This resulted in 260 children and adolescents being able to return to their families or to live independently. Furthermore, we maintained our regular outreach support for working adolescents engaging with 190 businesses and employers, raising awareness on legal provisions and advocating to improve working and living conditions.

We continued to deliver information on child protection and how to access services and support reaching 4,477 children and adolescents. We also supported

- 96 child clubs (1,038 children)
- 84 adolescent girls' groups (1,036 girls)
- 53 parent's and women's groups

in slum areas, informal settlements and other areas of extreme poverty, providing members with a safe forum in which to share and discuss any significant issues and challenges regarding their safety and wellbeing. For adolescents participating in regular group sessions, knowledge on key issues (e.g., sexual & reproductive health, protection, nutrition) increased from 27% at the baseline to 87% at the endline.

At the end of the year, outcomes and learning from community-based child protection activities we piloted over the last three years enabled us to agree and launch a new initiative across all 33 wards of Pokhara to support local authorities to better identify and respond to child protection issues. In addition, through our implementing partners we provided intensive support to improve their socio-economic circumstances of 2,333 families existing in extremely challenging circumstances.

- **Learn to Grow: Increasing participation in learning and/or positive employment**

The further closure of schools for four months at the start of the year compounded the educational loss that children had suffered in the previous year. The impact of this on children from the poorest families was much greater, due to their inability to access on-line learning opportunities during lockdown and the chaos and pressure their families faced as they battled to deal with the prolonged wider socio-economic impacts of the pandemic.

We therefore invested over £80,000 to:

- reintroduce community learning groups until schools fully re-opened in November, benefitting 1,152 children in slum areas in Pokhara and Butwal;
- provide ongoing counselling and guidance to children and their families through regular home visits;

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## TRUSTEES REPORT Cont'd

- support 895 of these children and a further 102 children from our other projects to transition back into school, including providing uniforms, books and other school materials for two school year intakes i.e., November 2021 and May 2022;
- facilitate ongoing remedial classes for children (with an attendance rate of 82%), to help them catch up, having lost over 70 weeks of schooling throughout the pandemic.

In parallel, we also provided alternative learning opportunities for 1,185 children and young people for whom full time education is not a viable option e.g., adolescents forced to work to survive. These were delivered in our shelters, community and learning centres and in young people's workplaces. The success of our functional learning course is worthy of particular note in that it continues to produce extremely positive results in just 35 hours of study.

The following table presents participant scores before and after the course:

Indicator	Pre-test	Post-test
Reading level	3.7	4.8
Writing level	1.6	3.8
Basic numeracy	1.8	4.0
Calculator use	1.8	4.5
Functional maths	0.3	3.2
Unit conversion	1.5	4.7
Weights & measures	0.8	3.9
Completing forms	0.4	3.3
<b>Average Score</b>	<b>1.5</b>	<b>4.0</b>

Expanding our support into work and positive livelihoods was also a priority during the year; this included enabling 95 young people to access on-the-job and/or vocational training and providing business start-up guidance and capital to 102 young people to help them set up a microbusiness. Our Children's Development Bank continued to promote and support positive livelihoods for young people with 645 active account holders during this year.

### **6. Financial Overview**

- **Income** – Total income in the year increased by 26% from £336K to £466K due in part to the Manan Trust awarding us a new three-year grant, which contributed £220K in the year. We also received £117K from Sir Ernest Cassel Educational Trust to support our Learning for Life project. However, this was partly offset by a year-on-year reduction of £68K in income from the FCDO, arising from the UK government decision in the previous year to reduce its investment in overseas development. We also faced significant reductions from other sources, notably smaller Trusts and Foundations, down 43% and individual giving down 40%, as the wider impacts of the pandemic continued to impact charitable giving across the sector.
- **Expenditure** – Project expenditure also increased significantly in the year from £289K to £419K as COVID related restrictions eased and we were able to resume, and in some cases accelerate, planned activities. We continued to minimise all but essential core expenditure in both the UK and Nepal. Our CEO maintained the same level of voluntary input as the previous year; we also reduced travel costs and resource constraints forced us to delay the planned development of a new website.
- **Reserves** – Total reserves at the end of the year of £558K were marginally higher than the previous year and included £367K unrestricted. The latter is due to continued efforts to minimise all but essential expenditure, and constantly seeking ways to deliver more for less, such that we build a buffer to enable us to sustain our activities when two major multi-year grants draw to a close in FY 2023/24.

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## TRUSTEES REPORT Cont'd

### **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 at least 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 on 30th June 2022, totalled £367,773 (Financial year 2020/21: £332,621). This includes £100,000 that remains designated by the Board as a contingency to be used to sustain our core services in the short to medium term, should income levels fail to recover in the aftermath of the pandemic

### **9. Looking Forward**

As previously reported, securing investment for international development is an ever-increasing challenge, exacerbated by the COVID crisis, and more recently by escalating inflation and the wider uncertainties of the global economy. The pressure of the cost-of-living crisis on families in the UK, reductions in the value of charitable investment portfolios, the falling value of the pound and the UK government's decision not to honour its previous commitment to invest 0.7% GDP in overseas development is reducing the availability of funding within the sector. This results in increased competition for funding, at a time when both demand and the cost of delivering services are increasing significantly.

Furthermore, working in a country with a very low profile on the global stage and a lack of public awareness that Nepal, despite being home to Everest and a source of talent for the UK Gurkhas, is actually one of the poorest countries in Asia, makes it even more difficult to attract support, with Nepal being excluded from the funding criteria set by many charitable institutions. Therefore in FY 2022/23 we will be reviewing our fundraising and communications strategies and are planning to engage some additional fundraising resource.

In Nepal, we will be expanding our sports development work with the replication of our successful *Breaking Boundaries* project in Butwal. We will also work to redefine and expand our portfolio of interventions for supporting positive livelihoods for young people. To achieve this and also improve our communications, we will be recruiting an additional programme team member in Nepal.

### **A closing note from the Chair of Trustees**

This year marks Kidasha's Silver Jubilee and as we reflect on 25 years, working in partnership with local organisations, communities and government in Nepal to enable the very poorest children and young people to thrive and fulfil their potential, we realise that despite being a relatively small organisation, we have made a real positive impact; our notable achievements have included:

- Establishing an exemplar urban primary health centre and integrating it into government service provision.
- Supporting the establishment of quality Early Child Development provision in more than 75 rural communities.
- Contributing to a reduction child labour in Pokhara of over 70%.
- Reintegrating thousands of street-connected children, child labourers and victims of abuse.
- Enabling over 10,000 of the poorest children to go to school or access informal education classes.
- Providing vocational training, employment and/or business start-up support to over 1000 young people.
- Supporting thousands of children and families in the aftermath of the 2015 earthquake and throughout the COVID pandemic.



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**TRUSTEES REPORT Cont'd**

However, we cannot stop as there is still much more to be done. As Nepal struggles to recover from the huge challenges created by the COVID pandemic, the need for our work continues unabated, as thankfully so does the incredible commitment and flexibility of our staff and our partners. Throughout the pandemic and now in the aftermath, I am very proud of the way in which we have responded to a wide range of emerging needs and maintained the momentum of our work.

Yet again our major donors have been incredibly understanding when restrictions have prevented us from delivering projects as originally planned, affording us the flexibility to adapt our approach to meet our proposed project objectives. Many charitable organisations are struggling to survive in the current environment and the increasingly difficult financial situation in the UK makes raising funds ever more difficult. Whilst we too have seen a significant reduction in some sources of income, we are very fortunate to have the support of some very generous and committed donors, and are very grateful for their belief and confidence in our organisation and commitment to our work.

Whilst our Board of Trustees is now able to meet face to face again, remote access via Zoom has allowed greater flexibility for members and also enabled participation by our team in Nepal. There have been a number of changes to our Board during the year and I would like to thank those who have resigned for their contribution and also welcome those who have joined.

Janice, our CEO, has been able to resume her regular trips to Nepal this year enabling her to meet local stakeholders, provide face to face guidance and support to the team and our partners and witness first-hand the impact of our work providing crucial input to our fundraising and communication activities. I would like to thank Janice for her continued hard work and the passion she has for the young people in Nepal, a passion that undoubtedly enables her to increase awareness and also to raise funds.

Finally, you will have read earlier in the report that all our work is now back up to full speed and we have achieved some outstanding results during the year. Looking forward we are developing new initiatives in the areas of child protection and livelihood development and are also exploring other locations within Nepal where we might replicate the benefit we have delivered to children and young people growing up in urban poverty in Pokhara and Butwal. I would like to thank everyone that has contributed in any way to making this possible and very much hope that we are able to maintain at least the same, but hopefully more, support as our continuing journey evolves.

**KIDASHA  
FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**TRUSTEES' REPORT Cont'd**

**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 8<sup>th</sup> December 22. and signed on their behalf by:

  
Nicholas Barry  
Chairman

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FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**INDEPENDENT EXAMINER'S REPORT**

I report to the charity trustees on my examination of the accounts of the charitable company (co. no. 5223851 and charity no: 1106156) for the year ended 30 June 2022 which are set out on pages 12 to 22.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and 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.

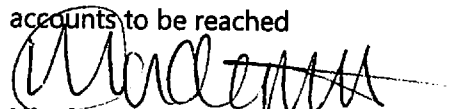
**Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I 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

  
**Nicola Anderson FCA FCIE**

dated: 2 January 2023

189 Baldwins Lane  
Croxley Green  
Rickmansworth  
Hertfordshire  
WD3 3LL

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**FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**STATEMENT OF FINANCIAL ACTIVITIES**

(Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds 2021/22 £	Restricted Funds 2021/22 £	Total Funds 2021/22 £	Total Funds 2020/21 £
<b>Income and endowments from:</b>					
Donation and legacies	2	72,912	391,926	464,838	329,269
Government Furlough Scheme		-	-	-	6,663
Investments		1,693	-	1,693	11
Other		-	-	-	13
<b>Total</b>		<b>74,605</b>	<b>391,926</b>	<b>466,531</b>	<b>335,956</b>
<b>Expenditure on:</b>					
Raising funds	3	29,696	-	29,696	31,468
Charitable activities	3	14,568	404,683	419,251	288,895
<b>Total</b>		<b>44,264</b>	<b>404,683</b>	<b>448,947</b>	<b>320,363</b>
<b>Net income (expenditure) before other gains and losses</b>		<b>30,342</b>	<b>(12,758)</b>	<b>17,584</b>	<b>15,593</b>
<b>Other recognised gains/(losses):</b>					
Gains/(losses) on revaluation of currency		5,201	2,549	7,750	(5,275)
<b>Net income (expenditure) for the year</b>		<b>35,543</b>	<b>(10,209)</b>	<b>25,334</b>	<b>10,318</b>
Transfers between funds		(391)	391	-	-
<b>Net Movement in funds</b>		<b>35,152</b>	<b>(9,818)</b>	<b>25,334</b>	<b>10,318</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		<b>332,621</b>	<b>200,513</b>	<b>533,134</b>	<b>522,816</b>
<b>Total funds carried forward</b>		<b>367,773</b>	<b>190,695</b>	<b>558,468</b>	<b>533,134</b>

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.

The notes on pages 15 to 22 form part of these accounts.

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FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**BALANCE SHEET AS AT 30 JUNE 2022**

	Note	30 June 2022 £	30 June 2021 £
<b><u>Fixed assets:</u></b>			
Tangible assets	7	-	6,152
<b>Total fixed assets</b>		-	<b>6,152</b>
<b><u>Current assets:</u></b>			
Debtors	8	20,172	19,490
Cash at bank and in hand		560,796	518,164
		580,968	537,654
<b><u>Liabilities:</u></b>			
Creditors: Amounts falling due within one year	9	13,257	2,993
<b>Net current assets</b>		<b>567,711</b>	<b>534,661</b>
<b>Total assets less current liabilities</b>		<b>567,711</b>	<b>540,814</b>
Creditors: Amounts falling due after more than one year	10	9,243	7,679
<b>Total net assets</b>		<b>558,468</b>	<b>533,134</b>
<b><u>The funds of the charity:</u></b>			
Restricted income funds	.11/12/13	190,695	200,513
Unrestricted funds	11/12	367,773	332,621
<b>Total charity funds</b>		<b>558,468</b>	<b>533,134</b>

The directors are satisfied that for the year ended on 30 June 2022 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparations of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The notes on pages 15 to 23 form part of these accounts.

These financial statements were approved by the Trustees and authorised for issue on 8/12/22 and are signed on their behalf by

Nicholas Barry  
Chairman  
Company Registration No 05223851

**KIDASHA  
FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**STATEMENT OF CASH FLOWS**

	Notes	30 June 2022 £	30 June 2021 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net cash provided by operating activities	a	33,189	(17,461)
Cash flows from investing activities:			
Interest from investments		1,693	11
Gain/(Losses) on currency		7,750	(5,275)
Net cash provided from investing activities		<u>9,443</u>	<u>(5,264)</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS FOR THE YEAR</b>		42,632	(22,725)
Cash and cash equivalents brought forward at 1st July 2021, 2020	b	518,164	540,889
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD AT 30 JUNE 2022, 2021</b>	b	<u>560,796</u>	<u>518,164</u>

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

	30 June 2022 £	30 June 2021 £
Net income/(expenditure) for the year as per the Statement of Financial Activities	25,334	10,318
Adjusted for:		
Interest from investments	(1,693)	(11)
(Gains)/losses on currency	(7,750)	5,275
Depreciation	6,152	6,152
(Increase)/decrease in debtors	(682)	(14,693)
Increase/(decrease) in creditors	10,263	(23,989)
Increase/(decrease) in gratuity & leave provision	1,564	(514)
	<u>7,855</u>	<u>(27,779)</u>
<b>Net cash provided by/(used in) operating activities</b>	<u>33,189</u>	<u>(17,461)</u>

**b) Analysis of cash and cash equivalents**

	30 June 2022 £	30 June 2021 £
Cash at bank and in hand	<u>560,796</u>	<u>518,164</u>

**KIDASHA  
FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**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 FRS102" (effective January 2019), 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 subject to expenditure restrictions imposed by donors or the terms of an appeal. The aim and use of each fund are detailed in note 14.
- Designated funds are unrestricted funds which have been set aside by Trustees as a contingency for a future purpose.

**(c) Incoming resources**

- Grants and other designated project funding and donations are recognised 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.
- Donated services and facilities are included at the value to the charity where this can be quantified but exclude the value of any services provided by volunteers.
- 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.
- 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, which can be accumulated up to 60 days. Provision for this is made based on current basic salary scales.

**(e) Depreciation of fixed assets**

Expenditure on office equipment, motor vehicles and furniture and fittings is capitalised if more than £2,500 and is 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.

**KIDASHA**  
**FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**NOTES TO THE ACCOUNTS Cont'd**

**2a) Income Analysis**

	Unrestricted Donations 2021/22 £	Restricted Donations 2021/22 £	Total Donations 2021/22 £	Total Donations 2020/21 £
<b>Government Grants</b>				
FCDO (UK Aid Direct)	-	9,643	9,643	77,337
<b>Grants over £50,000</b>				
Manan Trust	-	220,585	220,585	-
Sir Ernest Cassel Education Trust	-	116,893	116,893	77,648
<b>Grants and Donations over £10,000</b>	12,500	22,297	34,797	40,993
<b>Grants and Donations under £10,000</b>				
Individuals (inc. Gift Aid)	43,166	7,499	50,665	83,847
Trusts & Foundations	10,387	15,009	25,396	44,690
Corporate	5,468	-	5,468	3,436
Schools & Universities	1,391	-	1,391	1,319
<b>TOTAL GRANTS AND DONATIONS</b>	<b>72,912</b>	<b>391,926</b>	<b>464,838</b>	<b>329,269</b>

**2b) Previous Year Comparison**

	Unrestricted Donations 2020/21 £	Restricted Donations 2020/21 £	Total Donations 2020/21 £	Total Donations 2019/20 £
<b>Government Grants</b>				
FCDO (UK Aid Direct)	-	77,337	77,337	70,175
<b>Grants over £50,000</b>				
Manan Trust	-	-	-	151,671
Sir Ernest Cassel Education Trust	-	77,648	77,648	73,083
Wallace Curzon Charitable Trust	-	-	-	52,500
<b>Grants and Donations over £10,000</b>	40,993	-	40,993	109,617
<b>Grants and Donations under £10,000</b>				
Individuals (inc. Gift Aid)	72,483	11,364	83,847	58,312
Trusts & Foundations	8,145	36,546	44,690	26,671
Corporate	3,436	-	3,436	6,806
Schools & Universities	1,319	-	1,319	5,195
<b>TOTAL GRANTS AND DONATIONS</b>	<b>126,375</b>	<b>202,894</b>	<b>329,269</b>	<b>554,031</b>



**KIDASHA  
FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**NOTES TO THE ACCOUNTS Cont'd**

**3) Analysis of Resources Expended**

	<b>Total 2021/22 £</b>	<b>Total 2020/21 £</b>
<b><u>Raising Funds</u></b>		
Staff Costs	16,499	19,557
Marketing and Communication Consultancy	11,385	10,981
Fundraising/Events	1,812	930
<b>Total Raising Funds</b>	<b>29,696</b>	<b>31,468</b>
 <b><u>Charitable Activities</u></b>		
<b>Direct Costs</b>		
Staff Costs	96,261	90,450
Grants to Partners	260,989	162,231
Other Staff Cost incl Travel	5,783	2,649
Monitoring & Evaluation (External)	7,108	1,064
Other Expenses	20,375	1,842
<b>Total Direct Costs</b>	<b>390,517</b>	<b>258,236</b>
 <b>Support Costs</b>		
Staff Costs	10,732	8,620
Office Cost UK	1,253	4,072
Office Cost Nepal	8,900	9,679
Governance	1,699	2,136
Depreciation	6,152	6,152
<b>Total Support Costs</b>	<b>28,735</b>	<b>30,659</b>
 <b>Total Charitable Activities</b>	 <b>419,251</b>	 <b>288,895</b>
 <b>TOTAL EXPENDITURE</b>	 <b>448,947</b>	 <b>320,363</b>

**4) Net Incoming Resources for the Year**

This is after charging:

This is stated after charging:

	<b>2021/22 £</b>	<b>2020/21 £</b>
Independent Examiner and Nepal Audit Fees	1,436	1,710
Depreciation	6,152	6,152
Operating lease rentals – property	4,170	4,902

**5) Transactions with Trustees and other Related Parties**

No remuneration, reimbursement of expenses or other transactions were paid to the Trustees in the year (2020/21: £nil).

The total value of donations received from related parties in the year was £3,858 (2020/21: £5,622).

**KIDASHA  
FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**NOTES TO THE ACCOUNTS Cont'd**

**6) Staff Costs**

Staff costs were as follows:

	2021/22	2020/21
	£	£
Salaries and Fees – UK	38,499	35,069
Employer's NI - UK	-	725
Salaries - Nepal	84,993	82,833
	<b>123,491</b>	<b>118,627</b>

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

	No.	No.
Staff in UK	2.0	2.0
Staff in Nepal	9.0	9.0
Total	<b>11.0</b>	<b>11.0</b>

No employee was paid more than £60,000 in the year (2020/21: same).

The total employee benefits of the key management personnel, including gross salary and employer national insurance contributions were £22,000 (2020/21: £18,700).

**7) Tangible Fixed Assets**

	Fixtures, Fittings & Equipment	Plant & Machinery	Motor Vehicle	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 July 2021	20,931	14,756	24,608	60,295
Additions	-	-	-	-
Disposals	-	-	-	-
At 30 June 2022	<b>20,931</b>	<b>14,756</b>	<b>24,608</b>	<b>60,295</b>
<b>Depreciation and impairments</b>				
At 1 July 2021	20,931	14,756	18,456	54,143
Disposals	-	-	-	-
Depreciation	-	-	6,152	6,152
At 30 June 2022	<b>20,931</b>	<b>14,756</b>	<b>24,608</b>	<b>60,295</b>
<b>Net book value at 1st July 2021</b>	<b>-</b>	<b>-</b>	<b>6,152</b>	<b>6,152</b>
<b>Net book value at 30th June 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**KIDASHA  
FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**NOTES TO THE ACCOUNTS Cont'd**

**8) Debtors**

	<b>Total 2021/22</b>	<b>Total 2020/21</b>
	<b>£</b>	<b>£</b>
Debtors and Prepayments	2,842	403
Grant Receivable	11,557	14,745
Gift Aid Claimed	5,773	4,342
	<u>20,172</u>	<u>19,490</u>

**9) Creditors: Amounts due within one year**

	<b>Total 2021/22</b>	<b>Total 2020/21</b>
	<b>£</b>	<b>£</b>
Taxation and social security	71	6
Other creditors and accruals	13,186	2,987
	<u>13,257</u>	<u>2,993</u>

**10a) Creditors: Amounts due after more than one year**

	<b>Total 2021/22</b>	<b>Total 2020/21</b>
	<b>£</b>	<b>£</b>
Staff Leave Provision	9,243	7,679
	<u>9,243</u>	<u>7,679</u>

**10b) Reconciliation of Provisions**

	<b>Bal at 30th June 2021</b>	<b>2021/22 Provision</b>	<b>Paid in Year</b>	<b>Revaluation</b>	<b>Bal at 30th June 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff Leave Provision	7,679	1,799	(856)	621	9,243

**KIDASHA**  
**FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**NOTES TO THE ACCOUNTS Cont'd**

**11a) Analysis of Assets between Funds**

	<b>Unrestricted Funds 2021/22 £</b>	<b>Restricted Funds 2021/22 £</b>	<b>Total 2021/22 £</b>
Fixed Assets	-	-	-
Debtors	20,172	-	20,172
Cash	370,101	190,695	560,796
Creditors	(22,500)	-	(22,500)
	<u>367,773</u>	<u>190,695</u>	<u>558,468</u>

The unrestricted balance includes £100,000, designated by the Board as explained on p8 of the Trustees report.

**11b) Previous Year Comparison**

	<b>Unrestricted Funds 2020/21 £</b>	<b>Restricted Funds 2020/21 £</b>	<b>Total 2020/21 £</b>
Fixed Assets	-	6,152	6,152
Debtors	19,490	-	19,490
Cash	323,804	194,360	518,164
Creditors	(10,672)	-	(10,672)
	<u>332,621</u>	<u>200,513</u>	<u>533,134</u>

**12a) Analysis of Net Assets between Funds**

	<b>B/F £</b>	<b>Incoming £</b>	<b>Outgoing £</b>	<b>Revaluation £</b>	<b>Fund transfer £</b>	<b>C/F £</b>
<b>Restricted funds:</b>						
Programme funds	192,859	391,926	(398,531)	2,471	(90)	188,635
Other funds	7,654	-	(6,152)	78	481	2,061
<b>Total restricted funds</b>	<u>200,513</u>	<u>391,926</u>	<u>(404,683)</u>	<u>2,549</u>	<u>391</u>	<u>190,695</u>
<b>Total unrestricted funds</b>	232,621	74,605	(44,264)	5,201	(391)	267,773
<b>Total designated funds</b>	100,000	-	-	-	-	100,000
<b>Total funds</b>	<u>533,134</u>	<u>466,531</u>	<u>(448,947)</u>	<u>7,750</u>	<u>-</u>	<u>558,468</u>

**12b) Previous Year Comparison**

	<b>B/F £</b>	<b>Incoming £</b>	<b>Outgoing £</b>	<b>Revaluation £</b>	<b>Fund transfer £</b>	<b>C/F £</b>
<b>Restricted funds:</b>						
Programme funds	258,584	202,894	(267,915)	(20,907)	20,203	192,859
Other funds	13,571	-	(6,152)	(82)	317	7,654
<b>Total restricted funds</b>	<u>272,155</u>	<u>202,894</u>	<u>(274,067)</u>	<u>(20,989)</u>	<u>20,520</u>	<u>200,513</u>
<b>Total unrestricted funds</b>	150,661	133,062	(46,296)	15,714	(20,520)	232,621
<b>Total designated funds</b>	100,000	-	-	-	-	100,000
<b>Total funds</b>	<u>522,816</u>	<u>335,956</u>	<u>(320,363)</u>	<u>(5,275)</u>	<u>-</u>	<u>533,134</u>

**KIDASHA**  
**FOR THE YEAR TO 30<sup>TH</sup> JUNE 2022**

**NOTES TO THE ACCOUNTS Cont'd**

**13a) Movement in Restricted Funds**

	B/F	Income	Grants to Partners	Other Costs	Exchange G/(L)	Fund Transfers	C/F
	£	£	£	£	£	£	£
<b><u>Programme Funds</u></b>							
Breaking Boundaries	5,040	11,557	-	(19,110)	471	2,042	-
Adolescent Health & Wellbeing	9,768	9,643	(30,140)	(8,625)	(1,046)	20,400	-
Life Skills Education (LSE)	9,445	-	(10,128)	(177)	555	7,069	6,764
Learning for Life	61,633	96,893	(60,121)	(31,830)	(1,710)	(481)	64,384
Inspire to Grow	29,256	238,158	(73,630)	(77,597)	2,939	(58,885)	60,242
Street Working Children	41,321	935	-	(202)	3,096	-	45,150
COVID Education	30,812	34,740	(82,738)	-	(1,835)	25,532	6,510
Community Based Child Protection	-	-	(4,232)	(1)	-	4,233	-
COVID-19 Emergency Response	5,584	-	-	-	1	-	5,585
<b>Total Programme Funds</b>	<b>192,859</b>	<b>391,926</b>	<b>(260,989)</b>	<b>(137,542)</b>	<b>2,471</b>	<b>(90)</b>	<b>188,635</b>
<b><u>Other Funds</u></b>							
Fixed Asset Management	6,152	-	-	(6,152)	-	-	-
Vehicle Replacement	1,502	-	-	-	78	481	2,061
<b>Total Other Funds</b>	<b>7,654</b>	<b>-</b>	<b>-</b>	<b>(6,152)</b>	<b>78</b>	<b>481</b>	<b>2,061</b>
<b>Total Restricted Funds</b>	<b>200,513</b>	<b>391,926</b>	<b>(260,989)</b>	<b>(143,694)</b>	<b>2,549</b>	<b>391</b>	<b>190,695</b>

**13b) Previous Year Comparison**

	B/F	Income	Grants to Partners	Other Costs	Exchange G/(L)	Fund Transfers	C/F
	£	£	£	£	£	£	£
<b><u>Programme Funds</u></b>							
Breaking Boundaries	1,969	-	(1,222)	-	(360)	4,653	5,040
Adolescent Health & Wellbeing	(3,466)	77,337	(36,625)	(23,529)	742	(4,691)	9,768
Butwal LSE Mainstreaming	10,472	-	-	-	(1,027)	-	9,445
Learning for Life	44,191	77,648	(50,704)	(16,716)	(5,610)	12,824	61,633
Inspire to Grow	148,869	21,550	(53,160)	(64,695)	(10,206)	(13,103)	29,256
Street Working Children	45,547	240	-	-	(4,466)	-	41,321
COVID Education	-	12,000	-	-	12	18,800	30,812
COVID-19 Emergency Response	11,002	14,119	(20,520)	(744)	8	1,720	5,584
<b>Total Programme Funds</b>	<b>258,584</b>	<b>202,894</b>	<b>(162,231)</b>	<b>(105,684)</b>	<b>(20,907)</b>	<b>20,203</b>	<b>192,859</b>
<b><u>Other Funds</u></b>							
Fixed Asset Management	12,304	-	-	(6,152)	-	-	6,152
Vehicle Replacement	1,267	-	-	-	(82)	317	1,502
<b>Total Other Funds</b>	<b>13,571</b>	<b>-</b>	<b>-</b>	<b>(6,152)</b>	<b>(82)</b>	<b>317</b>	<b>7,654</b>
<b>Total Restricted Funds</b>	<b>272,155</b>	<b>202,894</b>	<b>(162,231)</b>	<b>(111,836)</b>	<b>(20,989)</b>	<b>20,520</b>	<b>200,513</b>

**14) Restricted Fund Allocation and Purpose**

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.

**KIDASHA  
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**NOTES TO THE ACCOUNTS Cont'd**

The purpose of each fund is as follows:

**Programme Funds**

- **Breaking Boundaries** – developing cricket to promote the personal development and resilience of children living in chronic urban poverty in Nepal – funded by the MCC Foundation.
- **Adolescent Health & Wellbeing** – to improve the health and wellbeing of children and adolescents living in urban poverty in Pokhara Metropolitan City – funded by UK Aid Direct.
- **Butwal LSE Mainstreaming** – mainstreaming Life Skills Education into government schools – funded by the Evan Cornish Foundation.
- **Learning for Life** – to provide alternative learning opportunity for 'out of schools' girls living in urban poverty – funded by the Sir Ernest Cassel Educational Trust.
- **Inspire to Grow** – to increase the aspiration and resilience of vulnerable children growing up in urban poverty and support core operational costs in Nepal – funded by the Manan Trust.
- **Street and Working Children** – to support the protection, development and wellbeing of street, working and at-risk children in Nepal – funded by various donors.
- **COVID Education** – to support the poorest children to return to school in the aftermath of the pandemic – funded by various donors.
- **COVID Emergency Response** – to provide immediate relief to the poorest children and families directly impacted by the COVID-19 pandemic – funded by various donors.

**Other Funds**

- **Fixed Asset Management** – funding provided by the Nelumbo Foundation to purchase new vehicle.
- **Vehicle Replacement Fund** – capital fund for replacement of Nepal country office vehicle.

**15) Share Capital**

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

**16) Prior Year Statement of Financial Activities**

	<b>Unrestricted Funds 2020/21 £</b>	<b>Restricted Funds 2020/21 £</b>	<b>Total Funds 2020/21 £</b>
<b>Income and endowments from:</b>			
Donation and legacies	126,375	202,894	329,269
Investments	11	-	11
Other	13	-	13
<b>Total</b>	<b>133,062</b>	<b>202,894</b>	<b>335,956</b>
<b>Expenditure on:</b>			
Raising funds	31,468	-	31,468
Charitable activities	14,828	274,067	288,895
<b>Total</b>	<b>46,296</b>	<b>274,067</b>	<b>320,363</b>
<b>Net income (expenditure) before other gains and losses</b>	<b>86,766</b>	<b>(71,173)</b>	<b>15,593</b>
<b>Other recognised gains/(losses):</b>			
Gains/(losses) on revaluation of currency	15,714	(20,989)	(5,275)
<b>Net income (expenditure) for the year</b>	<b>102,480</b>	<b>(92,162)</b>	<b>10,318</b>
Transfers between funds	(20,520)	20,520	-
<b>Net Movement in funds</b>	<b>81,960</b>	<b>(71,642)</b>	<b>10,318</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	250,661	272,155	522,816
<b>Total funds carried forward</b>	<b>332,621</b>	<b>200,513</b>	<b>533,134</b>