

MONDOCHALLENGE FOUNDATION

Company Limited by Guarantee

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31st MARCH 2012

REGISTERED NUMBER: 05120253
CHARITY REGISTRATION: 1106237

MONDOCHALLENGE FOUNDATION

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COMPANY INFORMATION

Registered company number: 05120253
Charity registration number: 1106237

DIRECTORS

Nicholas Wilkins (Chairman)
Andrew Allright
Hirsh Cashdan
Elaine Duncan
Richard Jackson
Karin Joehr
Ruth Worswick

CHIEF EXECUTIVE

Anthony Lunch

SECRETARY

Anthony Lunch

REGISTERED OFFICE

Malsor House,
Gayton Road
Milton Malsor
Northampton NN7 3AB

Directors' Report

The Directors present their Report together with the abbreviated financial statements for the period ended 31st March 2012.

PRINCIPAL ACTIVITIES

MondoChallenge Foundation is a company limited by guarantee, registered as a Charity on 8th October 2004. Its Objects are:

- The provision of education and development opportunities
- The relief of sickness
- The relief of financial hardship

The Foundation mainly supports programmes in Asia (Nepal, NE India and Sri Lanka) and in Africa (Tanzania and The Gambia).

During this reporting period, the Foundation has succeeded in raising £186,274 (previous year £175,968), which was a very encouraging result in difficult conditions.

The main area of growth, from £8,741 to £33,398, was from donations from individuals. Much of this was due to the wonderful efforts of the Coombs family, whose fundraising in memory of their son Adam included a cross channel swim and a music festival. The funds were used to build an extra floor at New Rise Academy near Kalimpong, the Adam Coombs Advanced Studies Centre. The figure of £8,741 is after a £5,000 adjustment from a previous period.

Donations from Trusts continued to be strong at £112,458 and, as previous, we received generous donations from past MondoChallenge volunteers (£28,236), many of whom are anxious to support the projects where they worked.

We are very fortunate in that many of our donors continue to support us on a regular basis. This reflects their comments that we provide them with a very effective route for grants to reach those for whom they are intended with a minimum of delay and with the least possible administration costs for a charity of our size.

Total reserves rose slightly during the year to £110,108. Restricted Funds stood at £66,224 which covers programmes currently underway. Trustees were pleased to note a further increase in Unrestricted Reserves to £43,884 which is particularly welcome as it enables us to react to urgent or unforeseen needs from our partners abroad.

Overall, Trustees consider our reserves to be very satisfactory.

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Resources expended in the current year were £183,223. Of these, £151,679 (up from £140,034 last year) was spent on specific programmes abroad as follows:

NE India Education Projects	£52,578
Tanzania Education and Livelihood Projects	£40,568
Nepal Education Projects	£41,846
Nike/Insight's South Africa Programme	£13,000
Sri Lanka Education Programme	£ 1,980
Gambia Education and Livelihood Programmes	£ 997
Ecuador	£ 710
Total Overseas Programmes	£151,679

The balance of our programmes has evolved and the NE Indian Himalayas region, mainly populated by Nepali people, took over as the largest recipient of grants. This covered the



Adam Coombs Advanced Studies Centre (see picture) which was opened by Mrs Jennifer Coombs in October 2011, as well as completion of a new school at Munsung and substantial extensions at Magno Vale Academy.

Our Education programme provided funding for fourteen small schools and impacted on over 2000 pupils. We continue to support teacher training, interschool activities and repairs to schools resulting from earthquake damage. During the year, the schools were visited by Anthony Lunch, our Chief Executive and by Hirsh Cashdan, a Trustee.

In Tanzania, our business development programme continued to flourish, providing grants and loans to widows affected by HIV so as to enable them to start a small business. Over 480 businesses have been started under this scheme with grants typically of around £100. These small amounts, backed up by training and regular monitoring by our local partners, have enabled over 2500 adults and children to obtain a livelihood rather than become a burden to family members. Business start ups have included livestock (see picture), retailing of fruit and vegetables, tailoring and hairdressing. The Chief Executive and I visited the country in May and were delighted to see the enormous increase in levels of sustainability brought about by the availability of expansion loans. Starting at a 10% interest level, and increasing to 13% for further loans (still a very competitive rate), these enable the most successful women to expand their stock and to diversify, which builds greater resilience into the model we have created.



We continue to support schools where substantial overcrowding requires additional classrooms, focussing on renovating or completing half finished buildings, which is particularly cost effective. The Foundation has also funded education programmes, including sponsorship of orphans and of young adults for vocational training.

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Elsewhere in Africa, we have supported Kunkujang nursery school in The Gambia where we pay the cost of the teachers' salaries and training. This ensures that nearly 200 children can obtain early learning in an English medium and make a better start at their next school.

We have also provided the last of the Nike funding through Insightshare for their work with disadvantaged young people in Durban, South Africa and Lambeth, London. This completes the programme which focussed on sharing the experiences of township dwellers and young people through participatory videos celebrating the impacts of a variety of sport related activities run by local partners.

In Nepal, we have continued with the ambitious programme of education development in the Helambu region, located 70 miles NE of Kathmandu. Working with our local Country



Manager, Jimmy Lama, we have built a further twelve classrooms, making nineteen in total. We have recruited twelve new teachers and, during the visit of one of our Trustees, Hirsh Cashdan, set up an important training initiative. The Education Quality Improvement programme (EQUIP) is aimed at bringing greater expertise and teaching improvements to these small village schools (see picture).

We are bringing our package of classroom building, access to drinking water, provision of toilets, supply of sports and music equipment, libraries, teacher recruitment and training, and enhancement to playgrounds to schools not just to the

Helambu Valley but the Gunsu Valley to the east and the Dabchung Valley to the West. Much of our work provides strong support to gender equality, in an area where young girls were not traditionally sent to school and have often been exploited in India as servants. In the three years since we have been running this programme, attendance rates among girls has risen by 60% and are now matching boys in more than half our schools.

Towards the end of the year, our Chief Executive visited the region for a week, calling in on fourteen schools, discussing training needs and identifying new projects with our local team. The needs of this particular region are immense and it is gratifying that both the District Education Commissioner and a senior Government education advisor have written testimonials to the Foundation for the inspirational work that has taken place.

The Foundation has benefited from the presence of twenty short term volunteers from Cambridge University. The links with Cambridge are now in their third year and are proving very successful. The impact of the volunteers on the quality of English being taught and ancillary activities taking place is considerable.

In Sri Lanka, we continued to provide support for an educational project in Kandy set up by ex MondoChallenge volunteers. The Early Child Education Centre enables poor families, both Tamil and Sinhala, to obtain a good education at a very modest cost and thus provides equal opportunity in a region of severe ethnic divide.

Apart from the major country programmes, the Foundation has supported a small education project in Ecuador.

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In addition to the funded programmes abroad, the Foundation has incurred administrative and fundraising costs as follows:

1. Trust Fundraiser including Database

The costs of the part time fundraiser were £6,732, (3.6% of income). The focus was on the Trust sector and resulted in income of £112,458, an excellent result.

A number of individual fundraising events took place during the year, all of them set up and organised by our supporters.

2. Administration Costs

Office Rent and Admin, Telephone,	£5,124
Travel related to programmes abroad	£2,946
Promotion, UK Travel, Web Site development	£1,442
Bank Commission	<u>£ 300</u>
Total	£9,812 (5.3% of income)

During this period, several volunteer helpers contributed to the success of our operation in UK and abroad. This included handling of our Facebook site, bookkeeping and general administration, and help with administration in Tanzania. We are grateful to them for their loyalty to the Foundation's work.

The Chief Executive, Anthony Lurch, whose duties in addition to acting as Company Secretary included financial management, organisation of our overseas operations, handling administration, personnel and overall fundraising, was paid a salary of £15,000 during this period.

This has been another exceptional year for the MondoChallenge Foundation and we are hugely grateful to the Trustees and to our many supporters who give so generously of their time.

We are also indebted to our country managers and to our many partners abroad without whom we could not operate so effectively. We face the future with confidence, although we are aware that the climate for fundraising is becoming more difficult as the economic recession deepens. We will continue to focus on our core values of working with local communities and with reliable partners abroad so that every pound received is put to work in the most cost effective way possible.



Nicholas Wilkins
Chairman
4 December 2012

MONDOCHALLENGE FOUNDATION

DIRECTORS' INTERESTS

The directors in office in the period under review and their beneficial interests in the company at the balance sheet date and at the beginning of the period were as follows:

		Number of Shares 2012
Andrew Allright	Ordinary Shares	1
Hirsh Cashdan	Ordinary Shares	1
Elaine Duncan	Ordinary Shares	1
Richard Jackson	Ordinary Shares	1
Karin Joehr	Ordinary Shares	1
Nicholas Wilkins	Ordinary Shares	1
Ruth Worswick	Ordinary Shares	1

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective 2002).

Signed by:



**Nicholas Wilkins
Chairman
4 December 2012**

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Sources of Income and Analysis of Expenditure to 31 March 2012

	2012			2011		
	£ Restricted Funds	£ Unrestricted Funds	£ Total	£ Restricted Funds	£ Unrestricted Funds	£ Total
Incoming Resources						
Individuals	24,343	9,055	33,398	5,031	3,710	8,741
Past Volunteers	21,142	7,094	28,236	22,826	7,992	30,818
Corporate Donors	-	-	-	6,476	3,483	9,959
Trusts	83,563	28,895	112,458	86,227	30,148	116,375
Gift Aid	-	10,115	10,115	-	8,786	8,786
Organisations	1,015	321	1,336	593	599	1,192
Interest		732	732		97	97
Total Income	130,063	56,211	186,274	121,153	54,815	175,968
Resources Expended						
Projects Funded Abroad	128,927	22,752	151,679	119,029	21,005	140,034
Salaries	1,000	14,000	15,000	1,000	14,000	15,000
Fundraising Costs	732	6,000	6,732		5,852	5,852
General Admin & Promotion	812	9,000	9,812		8,285	8,285
Total Expenditure	131,471	51,752	183,223	120,029	49,143	169,171
Addition/(reduction) to reserves	-1,408	4,459	3,051	1,124	5,672	6,796
Total Reserves	66,224	43,884	110,108	67,632	39,425	107,057

Signed by:



Anthony Lunch
Company Secretary
4 December 2012

Balance Sheet as at 31 March 2012

	2012	2011
	£	£
Current Assets		
Cash at Bank	101,902	99,492
Debtors	8,206	7,565
	<hr/>	<hr/>
Net Assets	110,108	107,057
	<hr/>	<hr/>
Opening Reserves	107,057	105,261
Surplus/(deficit) for year	3,051	6,796
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Total Reserves	110,109	107,057
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Restricted Reserves	66,224	67,632
Unrestricted reserves	43,884	39,425
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Net Reserves	110,108	107,057
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Signed by:



Anthony Lunch
Company Secretary
 4 December 2012

Auditor's Report to the members of MondoChallenge Foundation

I have audited the financial statements of MondoChallenge Foundation for the period ended 31 March 2012 which comprise the statement of income and expenditure and balance sheet and related notes. These financial statements have been prepared under the historical cost convention.

In my opinion, these financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 2012 and of its income and expenditure for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



S M Blyth (FCA)
 4 December 2012