

**MONDOCHALLENGE FOUNDATION**

**Company Limited by Guarantee**

**FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31st MARCH 2010**

**REGISTERED NUMBER: 05120253  
CHARITY REGISTRATION: 1106237**

**MONDOCHALLENGE FOUNDATION**

**COMPANY INFORMATION**

**DIRECTORS**

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

**CHIEF EXECUTIVE**

**Anthony Lunch**

**SECRETARY**

**Anthony Lunch**

**REGISTERED OFFICE**

**Malsor House,**  
**Gayton Road**  
**Milton Malsor**  
**Northampton NN7 3AB**

**Registered company number: 05120253**  
**Charity registration number: 1106237**

## Directors' Report

The Directors present their Report together with the abbreviated financial statements for the period ended 31st March 2010

### PRINCIPAL ACTIVITIES

This is a charitable company limited by guarantee. The MondoChallenge Foundation was 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 (Sri Lanka, Nepal and India) and in Africa (Tanzania and The Gambia).

During this period, the Foundation has succeeded in raising £200,155. Although less than last year's £222,381, it should be noted that the 2009 figure included a one-off donation of £62,726 from Nike Inc. A fairer comparison would therefore be against the 2009 core income of £159,381, showing a very healthy 26% growth in the current year.

We were delighted to see a large increase in donations from corporate donors to £87,149. This is a very significant figure and was due to the ongoing generosity of Man Group Charitable Trust, whose £28,670 formed part of a three year programme in Tanzania, as well as the award of £25,000 from Scott Bader Commonwealth for a programme of education in Nepal. This donation was won in competition with many other applicants and was the result of a vote by their staff world-wide.

As in the past, we received generous donations from past MondoChallenge volunteers (£41,115) and on this occasion we benefited from a generous legacy from one of our previous supporters who sadly died of cancer during the year.

We are very fortunate in that many of our donors have supported us on a regular basis. This year has been no exception and we are proud of the fact that we provide these donors with a very effective route for gifts 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 increased during the year by £16,908 to £100,261. This is a substantial figure and includes £66,508 as Restricted Funds for programmes currently underway. Trustees are particularly happy to report an increase in Unrestricted Reserves to £33,753. This enables us to react to urgent needs from our partner countries, such as a recent request for help in supporting a school building in NE India when monsoon rains threatened to wash away part of the foundations.

## MONDOCHALLENGE FOUNDATION

Resources expended in the current year were £183,247, 6.5% up on the FY 2009. Of these, £150,171 was spent on specific programmes abroad as follows:

Tanzania Education and Livelihood Projects	£51,257
NE India Education Projects	£45,736
Nike/Insight's South Africa Programme	£30,000
Nepal Education Projects	£18,419
Gambia Education and Livelihood Programmes	£ 2,206
Sri Lanka/Ecuador/Romania	<u>£ 2,553</u>
Total Overseas Programmes	£150,171

As before, Tanzania has been our largest area for donations, accounting for 1/3 of expenditure. A further three school classrooms have been built using funds from Man Group Charitable Trust as part of a three year programme. Class sizes are frequently in excess of 100 pupils, with five pupils sharing a bench designed for two, and it is pleasing to report that we have now completed ten classrooms under this scheme. Support from Man Group Charitable Trust has also included the installation of water tanks and piping in a further three schools this year to provide clean water to pupils during the school day.

The Foundation has also supported a variety of education programmes in the country including sponsorship of orphans at secondary school, of young adults for vocational training and some students at university. Many of these programmes have been funded by ex-volunteers and their friends as well as by Charitable Trusts.

The Foundation's HIV Grants programme expanded substantially during the year. Working with our partners in Moshi, Arusha and Usangi, we have provided small business grants to 320 widows affected by HIV. Grants are typically around £80 and we are grateful to the Waterloo Foundation and other donors for their ongoing support with this innovative programme. These small amounts, backed up by training and regular monitoring by our local partners, have enabled over 1500 adults and children to obtain a livelihood rather than become a burden to family members. Businesses set up under this programme have included the sale of fruit and vegetables, sale of women's clothing, rearing of sheep and goats, chicken breeding for eggs and meat, small cafés and distribution of many types of products ranging from charcoal to plastic containers and cooking oil.

During the year, our Chief Executive, Anthony Lunch, visited Tanzania along with a Trustee, Andrew Allright. They carried out an impact survey amongst a group of 40 grant recipients in order to report back on the effectiveness of the programme. It was reassuring to see that 92% of these women were now self sufficient to the point where they could pay for schooling for their children and medical bills for the family. However, the most impressive finding was that they universally felt more motivated and better able to face the problems of coping with HIV because of the business activity they were now undertaking.

Other activities in Tanzania have included ongoing support for the computer and internet centre in Longido which was set up in 2008. The centre provides training for children and adults so that they can at least become aware of the skills needed in a modern job market.

## MONDOCHALLENGE FOUNDATION

Elsewhere in Africa, we have continued to support the two nursery schools 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.

In India, we have funded £45,094 of programmes during the financial year. £19,000 was used to support the Dream a Dream project for street children in Bangalore, a project which was specifically funded by a series of individual donors. However, the Darjeeling/Kalimpong region continues to be a major part of the Foundation's programme.

This year we have been fortunate enough to have received substantially greater funding which has enabled us to support twelve small schools in the region. Our help has included improvements to school buildings, contributions to teacher salaries, horticulture projects, inter-school sports activities, musical events and support for cubs and brownies packs. We continue to organise a teacher training programme, which has resulted in significant progress being made to the effectiveness of the local staff.

In December 2009, I had the privilege of visiting the region accompanied by our Chief Executive, and was amazed to see how much the Foundation has achieved in this very poor part of the NE Indian Himalayas over the past five years. We had the pleasure of opening the newly built school at New Rise Academy. Our plan is to help this school provide secondary education and it was a great experience to see the enthusiasm of teachers and children in their new surroundings.

Also during this visit, we had the opportunity to see the new programme in neighbouring Nepal. With generous support from Scott Bader Commonwealth, and based on a Needs Analysis undertaken by our Nepal Manager, Jimmy Lama, we undertook the first stage of a £25,000 programme of improvements and support for ten village schools in the Helambu/Tamang region. This area is located 70 miles NE of Kathmandu. The schools which we are supporting are government primary schools but with inadequate resources. We chose five schools where additional classrooms were badly needed and we started building these with help from local villagers. We also provided libraries in ten schools along with games equipment and musical instruments. Our visit enabled us to see at first hand the enormous challenges of this mountainous region and to admire the hunger for education of children who often walk more than an hour each way to school, help their parents with farming or household chores and still manage to do their school work often by the light of a paraffin lamp!

We hope to expand this programme in the months ahead and are fortunate indeed that our local manager was brought up in this mountainous region. We managed to obtain a visa for him to spend time with the Foundation as an intern in 2008 and this has helped enormously in enabling us to control a complex programme so effectively.

Apart from the major country programmes, the Foundation has supported individual projects in Ecuador, Romania and Sri Lanka.

## MONDOCHALLENGE FOUNDATION

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

1. Trust Fundraiser including Database £ 5,538 (2.7% of total income)

The Foundation continues to fund the activities of a part time fundraiser to focus on the Trust Funding & Corporate sectors. This is an important area for the Foundation due to the focussed nature of our work. The costs were £5,538 and resulted in income of £71,000. Regular meetings take place with the Fundraiser so that specific targets can be set and new projects brought on line.

2. Administration Costs

Office Rent and admin, Telephone,	£ 2,837
Visits to programmes abroad	£ 4,244
Promotion, UK Travel, Web Site maintenance	£ 3,156
Contribution to MondoChallenge Ltd	£ 1,938
Bank Commission	<u>£ 364</u>
Total	£12,538 (6.2% of total income)

In previous years, the Foundation has made a grant to MondoChallenge Ltd as a contribution to services provided in administering our programmes abroad. These arrangements were changed during the course of the current financial period and the Foundation now has its own local staff in each of the three main countries. A grant of £1,938 was recorded in the early part of this financial year (£11,550 in the previous year).

3. The Chief Executive, Anthony Lunch, whose duties in addition to Company Secretary include handling administration, overall fundraising and organisation of grants to our overseas programmes, was paid a salary of £15,000 during this period.

A number of individual fundraising events took place during the year, all of them set up and organised by our supporters. We are grateful to them for their loyalty to the Foundation's work.

This has been another exceptional year for the MondoChallenge Foundation and we are hugely grateful to the Trustees and to many UK based 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



# 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 2008
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

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  
11 November 2010

MONDOCHALLENGE FOUNDATION

**Sources of Income and Analysis of Expenditure to 31 March 2010**

<b>Incoming Resources</b>	<b>2010</b>			<b>2009</b>		
	£ Restricted Funds	£ Unrestricted Funds	£ Total	£ Restricted Funds	£ Unrestricted Funds	£ Total
Individuals	12,031	3,501	15,532	8,228	2,543	10,771
MondoChallenge Volunteers	27,116	13,999	41,115	30,721	8,461	39,182
Corporate Donors	68,742	18,407	87,149	95,114	6,073	101,188
Trusts	28,124	18,699	46,823	48,620	9,855	58,475
Gift Aid		8,874	8,874		11,696	11,696
Organisations				144		144
Interest		662	662		926	926
<b>Total Income</b>	<b>136,013</b>	<b>64,142</b>	<b>200,155</b>	<b>182,827</b>	<b>39,554</b>	<b>222,381</b>
<b>Resources Expended</b>						
Projects funded Abroad	128,601	21,570	150,171	129,000	15,663	144,662
Salaries	2,000	13,000	15,000	1,500	10,500	12,000
Fundraising costs		5,538	5,538		5,021	5,021
General Admin and Promotion		12,538	12,538	2,000	8,765	10,765
<b>Total Outgoing</b>	<b>130,601</b>	<b>52,646</b>	<b>183,247</b>	<b>132,500</b>	<b>39,949</b>	<b>172,449</b>
Addition (reduction) to reserves	5,412	11,496	16,908	50,327	-395	49,932
<b>Total Reserves</b>	<b>66,508</b>	<b>33,753</b>	<b>100,261</b>	<b>61,096</b>	<b>22,257</b>	<b>83,353</b>

Signed by:

  
**Anthony Lunch**  
 Company Secretary  
 11 November 2010

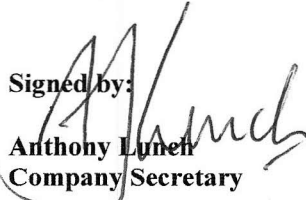


MONDOCHALLENGE FOUNDATION

**Balance Sheet as at 31 March 2010**

	2010	2009
<b>Current Assets</b>		
Cash at bank	94,247	77,574
Less Creditors and accruals		(2,000)
Debtors (Gift Aid)	<u>6,014</u>	<u>7,779</u>
<b>Net Assets at Year End</b>	<b>100,261</b>	<b>83,353</b>
<b>Represented by:</b>		
Opening Reserves	83,353	33,421
Results	<u>16,908</u>	<u>49,932</u>
Total reserves	<b>100,261</b>	<b>83,353</b>
Restricted Reserves	66,508	61,096
Unrestricted Reserves	<u>33,753</u>	<u>22,257</u>
<b>Net Reserves</b>	<b>100,261</b>	<b>83,353</b>

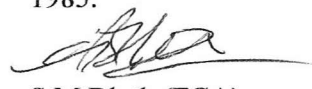
Signed by:

  
Anthony Lunell  
Company Secretary

**Auditor's Report to the members of MondoChallenge Foundation**

I have audited the financial statements of MondoChallenge Foundation for the period ended 31 March 2010 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 2010 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)

**11 November 2010**