

MONDOCHALLENGE FOUNDATION

Company Limited by Guarantee

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31st MARCH 2011

REGISTERED NUMBER: 05120253
CHARITY REGISTRATION: 1106237

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MONDOCHALLENGE FOUNDATION

COMPANY INFORMATION

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

Registered company number: 05120253

Charity registration number: 1106237

Chairman's Report

The Directors present their Report together with the abbreviated financial statements for the period ended 31st March 2011

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 (Sri Lanka, Nepal and India) and in Africa (Tanzania and The Gambia).

During this reporting period, the Foundation has succeeded in raising £170,968, an excellent result at a time of difficult conditions for many donors.

We were delighted to see a large increase in donations from Trusts to £116,375. As in the past, we received generous donations from past MondoChallenge volunteers (£30,818), 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 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 slightly during the year by £1,796 to £102,057, a substantial figure that includes £64,632 as Restricted Funds for programmes currently underway. Trustees are happy to report a further increase in Unrestricted Reserves to £37,425. This enables us to react to urgent needs from our partners, such as a recent request for help in supporting schools in NE India following the earthquake.

Resources expended in the current year were £169,171. Of these, £140,034 was spent on specific programmes abroad as follows:

Tanzania Education and Livelihood Projects	£45,926
NE India Education Projects	£35,420
Nike/Insight's South Africa Programme	£28,971
Nepal Education Projects	£23,220
Sri Lanka Education Programme	£ 3,600
Gambia Education and Livelihood Programmes	£ 1,366
Ecuador	<u>£ 1,531</u>
Total Overseas Programmes	£140,034

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As before, Tanzania has been our largest area for donations, accounting for 1/3 of expenditure, and it was a pleasure for me to visit the country in May, accompanied by Anthony Lunch, our Chief Executive. We were able to visit the two new classrooms that have been built and the five that were being refurbished as part of an ongoing programme to reduce class sizes. We have now completed seventeen classrooms under this scheme. The Foundation has also supported a variety of education programmes in the country including sponsorship of orphans and of young adults for vocational training.

Our highly successful programme of providing grants and top up loans to widows affected by HIV, so as to enable them to start a small business, has continued. Over 400 small businesses have been started through this scheme with grants typically around £100. 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 2000 adults and children to obtain a livelihood rather than become a burden to family members. During our visit, we saw many kinds of small business including the sale of fruit and vegetables, second hand women's clothing, rearing of sheep and goats, chicken breeding for eggs and meat, small cafés and distribution of many types of products.

A less successful venture was the attempt to set up a yogurt making business. Based on the Yogurt Mamas model tested in Mwanza on Lake Victoria, this project brought together a small group of women to whom we provided the necessary equipment and facilities for yogurt production. An important component was a patented probiotic offered by Canadian partners, which had beneficial properties for those suffering from HIV related illnesses. Unfortunately, the probiotic could not be produced locally and the ability of the local team to make and sell yogurt in commercial quantities, did not materialise and the operation was wound up after nine months. The women involved went on to set up other businesses under our programme.

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 and make a better start at their next school.

In the Indian Himalayas, we have funded £35,420 of programmes during the financial year. We have again been fortunate enough to have received substantial funding which has enabled us to support fourteen 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 encourage teacher training programmes which are important, both in raising standards and increasing staff loyalty.

A major part of our work this year has been in constructing a new school at Munsung to replace a small structure and funding extra classrooms at Magno Vale Academy, where children will soon be educated up to secondary certificate level. At the year end we were about to start a major extension to New Rise Academy, funded by the family of an ex volunteer to commemorate the life of their son who died in India during 2010. Again, the intention is to help this school provide education up to secondary certificate.

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In Nepal, we have continued with the major programme launched last year which is aimed at building capacity in the Helambu Tamang region located 70 miles NE of Kathmandu. Working with our local Country Manager, Jimmy Lama, we have built a further five classrooms, making thirteen in total. We have also recruited another six teachers to bring our total to eleven. Both these initiatives are vital to the 1300 children we are supporting. The schools which we are supporting are largely community run government primary schools with inadequate resources. The work we are doing is doubly valuable through the contribution of the villagers who have provided transport and labour. We have also continued to provide support for libraries and school books in all thirteen schools.

We were able to expand the programme during the year by bringing Jimmy Lama to UK for two months to help us with fundraising and future planning. This culminated in two successful Himalayan reunions in London in March which widened our fundraising base.

In Sri Lanka, following several years of inactivity due to the political climate, we were happy to expand our funding support for educational projects in Kandy. One of these, the Early Child Education Centre, is led by one of the ex MondoChallenge volunteers with support from several donors in UK. Our Chairman visited the Centre early in the year and was impressed by the emphasis on mixed Tamil and Sinhala education.

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

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

1. Trust Fundraiser including Database £5,652 (3.3% of total income)

The Foundation funds the activities of a part time fundraiser to assist the Chief Executive in focussing on the Trust & Corporate sectors. The costs were £5,652 and this assistance resulted in income of £126,334, a very satisfactory result. Our proposals to Trusts have been evaluated by third party trainers and are rated amongst the most effective in the sector.

2. Administration Costs

These were substantially lower than last year, at £8,485, just 5% of income.

Office Rent and Admin, Telephone,	£4,534
Travel related to programmes abroad	£ 600
Promotion, UK Travel, Web Site maintenance	£2,926
Bank Commission	<u>£ 425</u>
Total	£8,485

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3. The Chief Executive, Anthony Lunch, whose duties in addition to Company Secretary include handling administration, personnel, overall fundraising and organisation of our overseas operations, 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. Our Ambassador programme, whereby donors or others interested in the charity visit our programmes abroad, has expanded in the past year and we were delighted to welcome twelve visitors. Some of them spent a week or more with our local teams, making a significant contribution to our work abroad.

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
7 December 2011

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
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:



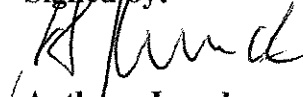
Nicholas Wilkins
Chairman
7 December 2011

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Sources of Income and Analysis of Expenditure to 31 March 2011

Incoming Resources	2011			2010		
	£ Restricted Funds	£ Unrestricted Funds	£ Total	£ Restricted Funds	£ Unrestricted Funds	£ Total
Individuals	2,031	1,710	3,741	12,031	3,501	15,532
MondoChallenge Volunteers	22,826	7,992	30,818	27,116	13,999	41,115
Corporate Donors	6,476	3,483	9,959	68,742	18,407	87,149
Trusts	86,227	30,148	116,375	28,124	18,699	46,823
Gift Aid		8,786	8,786		8,874	8,874
Organisations	593	599	1,192			
Interest		97	97		662	662
Total Income	118,153	52,815	170,968	136,013	64,142	200,155
 Resources Expended						
Projects funded Abroad	119,029	21,005	140,034	128,601	21,570	150,171
Salaries	1,000	14,000	15,000	2,000	13,000	15,000
Fundraising costs		5,852	5,852		5,538	5,538
General Admin and Promotion		8,285	8,825		12,538	12,538
Total Outgoing	120,029	49,143	169,171	130,601	52,646	183,247
Addition (reduction) to reserves	-1,875	3,672	1,796	5,412	11,496	16,908
Total Reserves	64,632	37,425	102,057	66,508	33,753	100,261

Signed by:



Anthony Lunch
Company Secretary
7 December 2011

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Balance Sheet as at 31 March 2011

	2011	2010
Current Assets		
Cash at bank	94,492	94,247
Debtors (Gift Aid)	<u>7,565</u>	<u>6,014</u>
Net Assets at Year End	102,057	100,261
Represented by		
Opening Reserves	100,261	83,353
Results	<u>1,796</u>	<u>16,908</u>
Total reserves	102,057	100,261
Restricted Reserves	64,632	66,508
Unrestricted Reserves	<u>37,425</u>	<u>33,753</u>
Net Reserves	102,057	100,261

Signed by:


Anthony Lunch
 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 2011 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 2011 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)

7 December 2011