

MONDOCHALLENGE FOUNDATION

Company Limited by Guarantee

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31st MARCH 2013

REGISTERED NUMBER: 05120253
CHARITY REGISTRATION: 1106237

MONDOCHALLENGE FOUNDATION

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COMPANY INFORMATION

DIRECTORS

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

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 2013
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
Nitish Upadhyaya	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
9 December 2013**

Directors' Report

The Directors present their Report together with the abbreviated financial statements for the period ended 31st March 2013.

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 supports programmes in Asia (Nepal, NE India and Sri Lanka) and in Africa (Tanzania and The Gambia). During this period, we raised £142,611 (previous year £186,274). Bearing in mind the difficult climate for charitable giving, this was felt to be a positive result.

Once again, we have had tremendous support from past volunteers and Ambassadors who have supported the projects where they worked. The number of these Ambassadors has grown substantially, particularly on our Nepal programmes.

Many of our donors have supported us for a number of years. 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.

Total reserves fell slightly during the year to £101,370. Restricted Funds stood at £58,206 which covers programmes currently underway. Unrestricted Reserves were almost unchanged at £43,165. Trustees consider our reserves to be very satisfactory for a charity of our size.

Resources expended in the current year were £151,349. Of these, £124,589 was spent on specific programmes abroad as follows:

Nepal Education Projects	£75,093
NE India Education Projects	£26,959
Tanzania Education and Livelihood Projects	£18,825
Sri Lanka Education Programme	£ 2,920
Gambia Education and Livelihood Programmes	<u>£ 792</u>
Total Overseas Programmes	£124,589

The year has seen a huge expansion in Nepal, where we have supported 21 schools in the Helambu Valley, NE of Kathmandu. A mix of new school buildings, libraries, provision of sports and games equipment and creating toilets and playground facilities, have enabled over 2000 pupils to have access to better education.



We are fortunate in having loyal and visionary donors who support our programmes so generously. Among them has been the School in a Bag programme enabling one thousand children to have a range of equipment in a colourful satchel.

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We have also expanded our teacher programme, funding fifteen additional teachers, from kindergarten to higher classes. This has been backed up by an ambitious training programme which was aimed at improving skills in a part of Nepal where teacher training is almost unknown.

We have supported Yolmo and Tamang communities. The Tamang villages in particular have benefited from our community development work, reversing a trend of girls being excluded from schools. Improvements in toilet provision, in teaching styles and in community understanding, mean that girls now make up 48% all pupils, compared with just 24% three years ago.

Much of the credit for this goes to our country manager, Jimmy Lama, whose NGO, HELP Nepal, has been our partner throughout. Jimmy's dedication and understanding of the rural villages where he was brought up, has enabled us to target resources effectively and to make a real difference to this region. It was very pleasing that during the past year, Jimmy managed to take a Masters' degree in International Development at the University of Sussex, funded by a number of well-wishers. He passed with flying colours, and is one of the very first students from the Helambu region to achieve this distinction.

In the largely Nepali populated region of NE India, where we support 14 schools, we have introduced two successful new programmes. Specially designed teacher training sessions have been run in various locations, enabling 130 teachers to be exposed to modern, interactive methods. Followed up in-class, the programme has made a substantial difference to the effectiveness of the teachers. One of our trustees, Hirsh Cashdan, has taken a particular interest in this programme and has himself delivered some aspects of the course, both in this region and in Nepal.

Our other new initiative has been to introduce a new agricultural programme to three of our schools. Making use of poly tunnels (see picture left) to extend the growing season, the programme is intended to help the schools supplement their income and become more sustainable. Already, the first crops have been taken to market and we plan to extend the programme to additional schools.



Once again, our general Education programme provided specific grants for all the schools and impacted on over 2200 pupils. The grants enabled pupils from the poorest families to attend, even if their parents cannot afford the very modest fees. We also help fund books and educational material, as well as the annual inter-school sports days and quizzes.

In Tanzania, our business development programme has continued to provide grants and loans to widows affected by HIV, enabling them to set up a small business. Over 650 businesses have been started under this scheme with grants of around £100. These grants, backed up by training and regular monitoring by our local partners, have enabled 3500 adults and children to benefit from the livelihoods generated, rather than becoming a financial burden to family members. Business start-ups have included livestock, retailing of fruit and vegetables, tailoring and hairdressing.

There has been an increase in levels of sustainability brought about by the availability of expansion loans of around £200. Starting at a 10% interest level, and increasing to 13% for further loans (still a very competitive rate), these help the most successful women to expand their stock and to diversify, which builds greater resilience into the model we have created. The interest received is then used to finance grants and loans for new rounds of grant recipients.

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

Elsewhere, we have continued to support 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. In Sri Lanka, we have continued to help the Early Child Education Centre in Kandy set up by ex-MondoChallenge volunteers. This enables poor families, both Tamil and Sinhala, to obtain a good education at a modest cost and thus provides equal opportunity in a region of severe ethnic divide.

The Foundation has also incurred administrative and fundraising costs as follows:

1. Fundraising

The costs of fundraising were £5,697, (3.9% of income). Unfortunately, we lost the services of our Trust Fundraiser, Ann Beaumont, during the latter part of the year and need to consider alternative plans for the future.

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

2. Administration Costs

Office Rent and Admin, Telephone,	£4,151
Travel related to programmes abroad	£ 300
Promotion, UK Travel, Web Site development	£1,500
Bank Commission	<u>£ 112</u>
Total	£6,063 (4.2% of income)

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

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

This has been another good year for the MondoChallenge Foundation and we are 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 remains difficult. We continue to focus on our core values of working with reliable partners abroad so that every pound received is put to work in the most cost effective way.



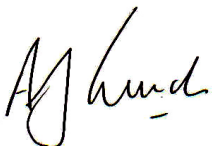
Nicholas Wilkins
Chairman
9 December 2013

MONDOCHALLENGE FOUNDATION

Sources of Income and Analysis of Expenditure to 31 March 2013

	2013			2012		
	£ Restricted Funds	£ Unrestricted Funds	£ Total	£ Restricted Funds	£ Unrestricted Funds	£ Total
Incoming Resources						
Individuals	8,981	165	9,146	24,343	9,055	33,398
Past Volunteers	33,018	16,705	49,723	21,142	7,094	28,236
Trusts	50,970	19,905	70,875	83,563	28,895	112,458
Gift Aid		9,201	9,201		10,115	10,115
Organisations	272	3,330	3,602	1,015	321	1,336
Interest		64	64		732	732
Total Income	93,241	49,370	142,611	130,063	56,211	186,274
Resources Expended						
Projects Funded Abroad	99,672	24,918	124,589	128,927	22,752	151,679
Salaries	1,000	14,000	15,000	1,000	14,000	15,000
Fundraising Costs	285	5,412	5,697	732	6,000	6,732
General Admin & Promotion	303	5,760	6,063	812	9,000	9,812
Total Expenditure	101,260	50,090	151,349	131,471	51,752	183,223
Addition/(reduction) to reserves	- 8,019	- 720	- 8,738	- 1,408	4,459	3,051
Total Reserves	58,206	43,165	101,370	66,225	43,884	110,109

Signed by:



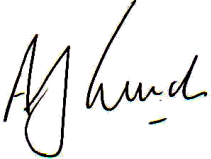
Anthony Lunch
Company Secretary
9 December 2013

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Balance Sheet as at 31 March 2013

	2013	2012
Current Assets		
Cash at Bank	94,341	101,902
Debtors	<u>7,029</u>	<u>8,207</u>
Net Assets	101,370	110,109
Opening Reserves	110,109	107,057
Surplus/(deficit) for year	<u>-8,738</u>	<u>3,051</u>
Total Reserves	101,370	110,109
Restricted Reserves	58,206	66,225
Unrestricted reserves	<u>43,165</u>	<u>43,884</u>
Net Reserves	101,370	110,109

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 2013 which comprise the statement of income and expenditure and balance sheet. 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 2013 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)
9 December 2013