



MONDOCHALLENGE FOUNDATION

Company Limited by Guarantee

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH 2020

REGISTERED NUMBER: 05120253
CHARITY REGISTRATION: 1106237

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MONDOCHALLENGE FOUNDATION

COMPANY INFORMATION

MONDO FOUNDATION REGISTERED OFFICE

CAN Mezzanine, 7-14 Great Dover Street, London SE1 4YR

Mondo Trustees



Andrew Allright (Chair of Trustees)
Hirsh Cashdan (Vice Chair)
Anthony Lunch (Founder)
Sarah Woolfenden
Osamu Yamagata
Michael Dennison (joined April 2019)
Mark Adams (joined June 2019)
Sherelle Parke (joined December 2019)

CHIEF EXECUTIVE

Anna Brian



COMPANY SECRETARY

Sarah Woolfenden

INDEPENDENT EXAMINER

Maxwell-Gumbleton & Co.1, West Street, Lewis BN7 2NZ

MONDOCHALLENGE FOUNDATION

DIRECTORS' REPORT



The Directors present their Report together with the abbreviated financial statements for the period ended 31st March 2020.

PRINCIPAL ACTIVITIES

MondoChallenge Foundation is a company limited by guarantee, registered as a company in May 2004 (no 5120253) and as a Charity on 8 October 2004 (no 1106237)

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

The objects of MondoChallenge Foundation are:

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

Day-to-day management of the Company and Charity is the responsibility of the CEO.

This year long standing trustee, Andrew Allright, became Chair of Trustees on 1st March 2019 and guided the organization through a period of transition for one year. On April 1st 2020 Hirsh Cashdan, also a long time trustee, took over this role. We also welcomed three new trustees: Michael Dennison, an education professional with particular experience in school management and head teacher training; Mark Adams who volunteered for 9 months as a teacher and teacher trainer on our programme in Kalimpong, and Sherelle Park a social research specialist who volunteered in Tanzania in 2018.

Anna Brian, who had since June 2015 been Mondo's Programmes Manager, took over as CEO from the 1st April 2019. Anna has considerable experience in the area of education and international development, having previously worked as an education consultant and manager on programmes in Vietnam, China, Mozambique and Uganda.

GOVERNANCE

The Trustees have considerable experience in the field of, education, financial management, legal services, social inclusion, media and international development. Monthly financial reporting to Trustees is carried out by the CEO working closely with the Founder and there is a specialist Finance Sub Committee made up of trustees which meets quarterly.

Abroad, Mondo works through independent NGO country partners:

For 2019-20 these were:

- In India - Mondo Challenge Kalimpong,
- In Tanzania- Mondo Tanzania
- In Nepal – The Helambu Education and Livelihoods Partnership - HELP.

These organisations are registered in their country of operation and run by local leaders with support from elected boards of directors.

The Trustees continue to ensure that the charity is run to the highest standards including undertaking regular risk assessment exercises, prioritising and tracking actions which mitigate key risks.

Health and Safety

The Charity maintains an appropriate Public Liability insurance policy and has ensured that its Health & Safety policy is implemented in its places of work.

Related Parties

The Charity has no link with “Related Parties” as defined by the Statement of Recommended Practices, and has not combined with any other organisation in the pursuit of its charitable objectives.

Reserves Policy

The Trustees require a minimum level of reserves to be available at all times. We have set this figure as the costs of running Mondo for 6 months (both in the UK and core costs of our partners overseas). This figure is reviewed annually and updated. For 2019/20 the figure for 6 months core cost operation was £25,000. Trustees consider our reserves to be very satisfactory for a charity of our size.

STATEMENT OF TRUSTEES RESPONSIBILITIES

Trustees' responsibilities statement - charitable company

The trustees (who are also directors of MondoChallenge Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual 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 affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. They 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.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the [Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INCOME GENERATION

This has been a year of change for Mondo: following the completion of our large building programme in Nepal at the end of March 2019 our income has returned to pre-earthquake levels, and we have focused on less capital intensive projects such as teacher training and other school quality inputs. Building on the achievements, highly successful fundraising and partnerships established in previous years, the dedication of the management teams in UK and abroad has ensured we have raised and spent funds to bring about significant positive change in the countries where we work.

During this period Mondo raised **£207,322** (previous year **£481,002**).

During 2019/20 we continued to receive individual donations together with major funding from grant-making Trusts for both our school improvement efforts in the Helambu community (Nepal), but also in India where we have continued to support 12 schools. We have also expanded our work in Tanzania, where we have worked with funders to provide microfinance grants and loans to HIV+ women, together with training in small business development.

RESOURCES EXPENDED

Resources expended in the current year were **£208,323** (compared to **£511,068** the previous year). Of these, the following was spent on specific programmes abroad as follows:

Nepal Education and livelihood Projects	£125,847
NE India Education Projects	£14,487
Tanzania Education and Livelihood Projects	£24,995
Gambia Education and Livelihood Programmes	£1,610

Total Overseas Programmes £166,939

SUPPORT COSTS

Mondo Foundation is committed to keeping total support costs (overheads for administration here in the UK) as low as possible. In delivering the programme of work outlined above the support costs are summarized in Note 5 to the accounts.

HIGHLIGHTS OF THE YEAR

There have been many highlights this year both with the continuation of some of our tried and tested methodologies and the launch of new initiatives. During the year either staff or trustees visited funded projects in Nepal, India and Tanzania to undertake careful monitoring and understand the full context and challenges of the work. (Please note that trustees undertook these visits at their own expense). Full details of our achievements in all countries can be found on our website www.mondofoundation.org

MONDO'S WORK IN NEPAL

Working through our country partner **HELP** (the Helambu Education and Livelihoods Partnership) we were delighted to open the final 5 school buildings of our post-earthquake rebuilding programme. We also launched our 'Saathi' programme, training and posting 10 model teachers to primary schools in Sindhupalchowk where they will work for the next 2 years.

Highlights of the year included:

- ✓ Appointment of 2 teacher training experts to the HELP team
- ✓ Saathi school programme developed and pre-service and in-service training provided throughout the year
- ✓ Sponsoring 109 Scholars to allow them to pursue education post 16
- ✓ Providing early childhood classroom furniture and equipment to 8 schools
- ✓ Mobilising 54 volunteers to visit Nepal which included 2 groups of students from Loughborough University and Cambridge University
- ✓ Constructing 10 passive solar greenhouses to improve food security in the highest regions



Pupils with Saathi teacher Jyoti at Taltuleshwory school

MONDO'S WORK IN INDIA

In the largely Nepali populated region of NE India, where we support 12 schools, our education programme provided financial and technical support to schools working in the poorest, rural areas impacting the lives of over 2000 pupils. We also placed 3 experienced primary teachers from the UK as volunteers in our partner schools to provide teaching and training support

Highlights include:

- ✓ Regular observation and training visits in the 12 schools to promote interactive teaching approaches
- ✓ Funding joint school ventures such as sports day and inter school competitions
- ✓ Providing training to teachers in 6 schools in computer use and maintenance
- ✓ Materials supplied to help school children to raise environmental awareness in their communities



Teachers at Love Buds school working with Mondo ICT trainer, Moa

MONDO'S WORK IN TANZANIA

In Tanzania, our business development programme has continued to provide grants and loans to widows affected by HIV enabling them to set up small businesses. This year 101 new businesses have been supported with grants of around £150 each while a further 87 existing businesses received loans of up to £300.

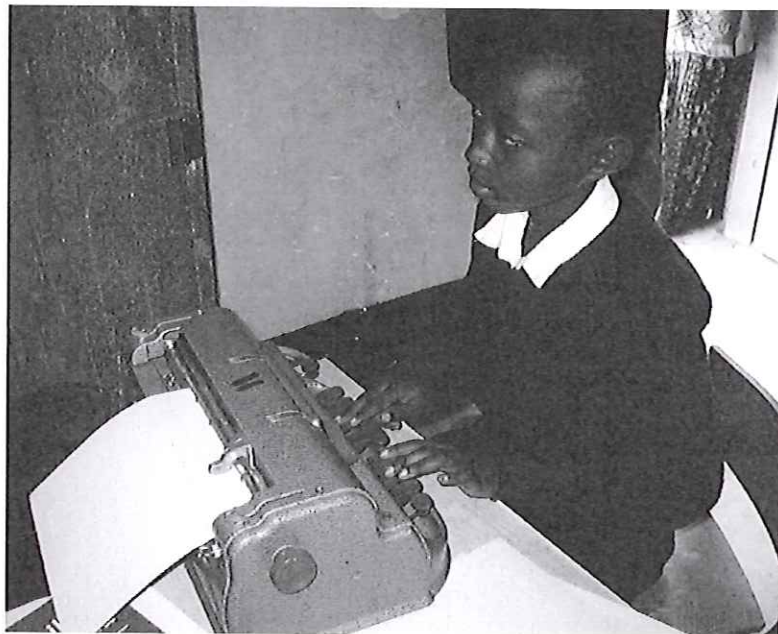
Backed up by training and regular monitoring by our local team, these grants have enabled HIV positive women to improve their well-being and living conditions and support their children through school. Working closely with government extension workers, we have also provided

training in agricultural and animal husbandry, to support our grant recipients working in these areas.

In addition to this work among HIV+ women, we have continued to support the blind unit of Longido school in northern Tanzania by providing the school with teaching and learning materials and paying for pupils to attend regular eye check ups at Moshi hospital.



Grant recipient at her market stall in Pasua



Student using braille machine at Longido school

SUMMARY

This has been a successful year for the MondoChallenge Foundation. The completion of our large building projects in Nepal has allowed us to focus on programmes providing quality education and livelihood opportunities to the poorest communities. As the financial year closed, staff and beneficiaries in all our countries of operation were moving into lockdown due to the Covid pandemic and this will no doubt provide many challenges to us in the year to come. However, we are confident that all at Mondo will continue to work tirelessly to support our communities through this difficult time.

We are enormously grateful to the very many supporters who give so generously of their time and finances. We continue to be indebted to our wonderful country managers and to our partners abroad without whom we could not operate so effectively.

The report has been prepared in accordance with the special provisions within part 15 of the Companies Act 2006.

Andrew Allright

A blue ink signature of Andrew Allright, written in a cursive style. Below the signature is a dotted line.

Chairman

Mondochallenge Foundation
Independent examiner's report to the trustees of Mondochallenge Foundation
for the year ended 31 March 2020

I report on the accounts of the charity for the year ended 31 March 2010 which are set out on the statement of financial activities, balance sheet and notes to the accounts.

Respective responsibilities of the committee and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (The Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of The Charities Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of The Charities Act; and
- state whether particular matters have come to my attention.

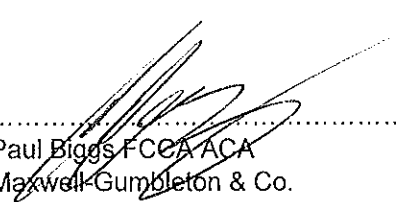
Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present 'a true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of The Charities Act; and
 - to prepare accounts which accord with the accounting records.have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
Paul Biggs FCCA ACA
Maxwell Gumbleton & Co.
1 West Street
Lewes
BN7 2NZ

25/11/20
.....
(Date)

Mondochallenge Foundation

**Statement of Financial Activities
for the year ended 31 March 2020**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
INCOMING RESOURCES					
Donation and legacies	2	36,423	88,817	125,240	131,971
Charitable activities	3	6,909	75,044	81,953	348,904
Investments		129		129	127
Total incoming resources		<u>43,461</u>	<u>163,861</u>	<u>207,322</u>	<u>481,002</u>
RESOURCES EXPENDED					
Fundraising costs		7,390		7,390	9,075
Charitable activities	5	21,849	179,084	200,933	501,993
				0	
Total resources expended		<u>29,239</u>	<u>179,084</u>	<u>208,323</u>	<u>511,068</u>
NET EXPENDITURE BEFORE TRANSFERS		14,221.69	-15,223	(1,001)	(30,066)
Transfer between funds		(4,823)	4,823		
Net incoming resources/(resources expended)		<u>9,399</u>	<u>(10,400)</u>	<u>(1,001)</u>	<u>(30,066)</u>
Total funds brought forward		<u>40,500</u>	<u>91,090</u>	<u>131,590</u>	<u>161,656</u>
TOTAL FUNDS CARRIED FORWARD		<u>49,899</u>	<u>80,690</u>	<u>130,589</u>	<u>131,590</u>

All activities relate to continuing activities

The notes form part of these financial statements

Mondochallenge Foundation

Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Current Assets			
Debtors	9	7,600	10,360
Cash at bank		<u>124,219</u>	<u>121,950</u>
		131,819	132,310
<u>Total Assets</u>			
Creditors: amounts falling due within one year	10	<u>1,230</u>	<u>720</u>
Net current assets		130,589	131,590
<u>Net Assets</u>		<u>130,589</u>	<u>131,590</u>
<u>Represented by:</u>			
Restricted Fund	12	80,690	91,090
Unrestricted Fund	12	<u>49,899</u>	<u>40,500</u>
Accumulated Fund at Year end		<u>130,589</u>	<u>131,590</u>

For the financial year ended 31 March 2020, the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.


The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The trustees confirm they are responsible for:

- ensuring that the charitable company keeps accounting records which comply with sections 386 and 387 of the Companies Act 2006,
- and preparing financial statements which give a true and fair view of the state of affairs of the charitable company at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies within Part 15 of the Companies Act 2006.

Approved by the board on 1/12/2020 and signed on its behalf by:

 Chairperson of Trustees

The notes form part of these financial statements

Mondochallenge Foundation

Notes forming part of the financial statements for the year ended 31 March 2020

1 Accounting policies

1.1 Basis of preparation

These financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from January 2015. The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention and are presented in sterling which is the functional currency of the Charity and rounded to the nearest £.

1.2 Company status

The charity is a private company limited by guarantee. The members of the company are the trustees as named on the trustees report. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Mondochallenge Foundation

Notes forming part of the financial statements for the year ended 31 March 2020

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following:

Costs of generating funds are costs incurred in attracting voluntary income.

Charitable activities and Governance costs are costs incurred by the company providing education and development opportunities, relief of sickness and the relief of financial hardship in both Asia (Nepal and NE India) and Africa (Tanzania and The Gambia), including support costs relating to the governance of the company and apportioned charitable activities.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans where are subsequently measured at amortised costs using the effective interest method.

1.9 Financial instruments

The charity operates a defined contribution pension scheme. Contributions payable to the charities pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Income from donations and legacies

	Unrestricted Funds	Restricted Funds	TOTAL FUNDS 2020	TOTAL FUNDS 2019
	£	£	£	£
Donations and gifts	26,472	88,332	114,804	118,671
Gift aid	9,951	485	10,436	13,300
	<u>36,423</u>	<u>88,817</u>	<u>125,240</u>	<u>131,971</u>

Mondochallenge Foundation

**Notes forming part of the financial statements
for the year ended 31 March 2019**

3 Income from charitable activities

	Unrestricted Funds	Restricted Funds	TOTAL FUNDS 2020	TOTAL FUNDS 2019
	£	£	£	£
Grants (from Charitable Trusts)	6,909	75,044	81,953	348,904

4 Investment income

	Unrestricted Funds	Restricted Funds	TOTAL FUNDS 2020	TOTAL FUNDS 2019
	£	£	£	£
Interest receivable	129		129	127

5 Charitable activities

	TOTAL 2020	TOTAL 2019
	£	£
Direct costs		
Tanzania projects	24,995	37,948
Nepal projects	125,847	374,371
Gambia projects	1,610	1,533
India projects	14,487	23,072
	<u>166,939</u>	<u>436,924</u>
Support costs		
Administration wages and salaries	28,507	45,171
Rent	240	420
Insurance	1,205	1,199
Office, telephone and internet costs	378	3,281
Promotion, marketing and website	110	4,173
Event Cost	-	-
Travel and subsistence	685	1,569
Overseas travel costs	1,163	7,025
Subscriptions	210	295
Consultancy fees	-	-
Book-keeper	-	-
Other professional fees	360	180
Independent examination	900	960
Bank charges	151	171
Sundry expenses	85	625
	<u>33,994</u>	<u>65,069</u>
	<u>200,933</u>	<u>501,993</u>

Mondochallenge Foundation

Notes forming part of the financial statements for the year ended 31 March 2020

6 Staff costs

	2020 £	2019 £
Wages and salaries	33,320	54,153
Employers NI	-	1,000
Pension costs	1,000	2,683
	<u>34,320</u>	<u>57,836</u>

The average number of employees during the period was 2 (2019: 2). No employees received remuneration in excess of £60,000 p.a.

7 Trustees remuneration and benefits

There were no trustees remuneration or other benefits during the year ended 31 March 2020 nor for the year ended 31 March 2019.

There were no trustees' expenses paid for the year ended 31 March 2020 nor for the year ended 31 March 2019.

8 Taxation

The company is a registered charity and is therefore exempt from taxation.

9 Debtors

	2020 £	2019 £
Other debtors	7,600	10,360
	<u>7,600</u>	<u>10,360</u>

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Other tax and social security costs	510	-
Accruals	720	720
	<u>1,230</u>	<u>720</u>

Mondochallenge Foundation

Notes forming part of the financial statements for the year ended 31 March 2020

11 Statement of funds

	Brought forward	Income	Expenditure	Transfers	Carried forward
	£	£	£	£	£
General reserve	40,500	43,461	29,239	(4,823)	49,899
Total unrestricted funds	<u>40,500</u>	<u>43,461</u>	<u>29,239</u>	<u>(4,823)</u>	<u>49,899</u>
Restricted funds					
Nepal - Building projects	0	47,447	41,316		6,131
Nepal - School equipment	3,382	39,251	47,456	4,823	0
Nepal - Scholarships	24,457	15,000	20,759		18,698
Nepal - Teachers	31,460	23,028	26,316		28,172
Tanzania - HIV grants & loans	31,791	20,652	27,270		25,173
India - School equipment	0	17,003	14,487		2,516
Gambia - Education	0	1,480	1,480		0
Total restricted funds	<u>91,090</u>	<u>163,861</u>	<u>179,084</u>	<u>4,823</u>	<u>80,690</u>

12 Analysis of net assets by fund

	Unrestricted Funds	Restricted Funds	TOTAL FUNDS 2020	TOTAL FUNDS 2019
	£	£	£	£
Current assets	51,129	80,690	131,819	132,310
Creditors: amounts falling due < 1 year	(1,230)		(1,230)	(720)
	<u>49,899</u>	<u>80,690</u>	<u>130,589</u>	<u>131,590</u>

13 Company limited by guarantee

The company is limited by guarantee and does not have a share capital. In accordance with the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £10 each, in the event of the company being wound up during the period of membership and within one year afterwards.