

DARJEELING CHILDREN'S TRUST

CHARITY REGISTRATION NUMBER 1143109

Report of the Trustees for the year ended 31 December 2013

Governing Document

The trust is constituted by a trust deed dated 15th July 2011.

Trustees

The trustees of the charity are:

Penny Adams
Sharan Patel
Marilyn Adams
Sheila Saye
Hugh Heron
Pasang Wangdi
Katherine Carr
Louise Hall
Katie Williams
Polly Martin

Principal Contact

Marilyn Adams
151 Abbey Road
Bristol
BS9 3QH

Charitable Objectives

The objectives of the charity are to advance the education and preserve and protect the good health of the children and young people of Darjeeling through the provision and improvement of education facilities, through improvements to their living conditions and through sponsorship.

Trustee Responsibilities

Charity Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of control, financial or otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees have given due regard to the guidance published by the Charity Commission on public benefit.

DARJEELING CHILDREN'S TRUST

RECEIPTS AND PAYMENTS 2013

2012			2013		
£ Restricted funds	£ Unrestricted funds	£ ALL DCT	£ ALL DCT	£ Restricted funds	£ Unrestricted funds
		29,967	Opening cash balance	49,237	15,415
			RECEIPTS		
13,492	10,212	23,704	Donations	13,087	6,655
3,868	3,097	6,965	Fundraising events	43,853	10,475
0	10,388	10,388	Child sponsorship	12,050	12,050
0	170	170	Friends subscriptions	45	45
1,009	5,682	6,691	Gift aid	596	549
32	32	64	Bank interest (Co-op and CAF)	51	20
18,401	29,581	47,982	Total receipts	69,682	29,794
			PAYMENTS		
			<u>Darjeeling initiatives</u>		
0	2,684	2,684	School improvements and equipment	250	250
0	11,730	11,730	Child sponsorship	10,761	10,761
0	1,996	1,996	100 Darjeeling Children Appeal	21,774	0
888	5,172	6,060	Vocational training	5,314	3,452
0	3,588	3,588	Other activities	4,927	4,927
313	0	313	Hope School	0	0
1,201	25,170	26,371	Darjeeling initiatives	43,026	19,390
0	1,365	1,365	Trust running costs	1,217	1,217
0	139	139	Costs of major fundraising	11,840	1,451
0	837	837	Funds managed in Darjeeling	1,179	1,179
1,201	27,511	28,712	Total payments	57,262	23,237
			Closing cash balance	61,657	
33,822	15,415	49,237	represented by:		
33,822	7,435		UK bank accounts	39,685	20,403
0	7,980		cash in Darjeeling	0	1,569

Notes to Receipts and Payments 2013

- 1 The accounting year was 1.1.2013 to 31.12.2013.
- 2 The Charities Act 2011 allows charities that are not companies to use a receipts and payments format provided they have received not more than £250,000 in the year.
Totals for receipts and payments in this statement agree to the sums paid into and drawn
- 3 During 2013 the Trust had accounts at the Co-operative bank and Charities Aid Foundation (CAF), see the Assets and Liabilities statement.

All receipts and payments are made through the Co-op bank account. Sums due to and from the 100 Darjeeling Children Appeal, (a restricted fund), are transferred to and from the account at the Charities Aid Foundation. This account is dedicated to the Appeal.

At the start of 2013 restricted funds were £31,960 at CAF Bank and £1,862 at Co-op Bank.
At the end of 2013 all sums at the Co-op bank were for general (unrestricted) purposes, and all sums at CAF Bank were restricted for the 100 Darjeeling Children Appeal.

- 4 Local charitable payments in Darjeeling
Cash amounts, in UK pounds and US dollars, are taken by Trustees to India on periodic visits and converted at local exchange rates into rupees to be expended on charitable projects.
Purchase invoices and expenditure receipts in rupees are obtained whenever available to account, as far as possible, for the total cash amounts taken by the Trustees from the UK to India.
In the Receipts and Payments Account the Trustees allocate the total of the cash amounts taken by the Trustees from the UK to India over cost headings in accordance with spending plans, which are determined before each Trustee visit.

- 5 Trust running costs in 2013 were:

	£
training courses and equipment	293
electronic cash transfer fees	550
Just Giving and other fees	374
	<hr/>
	1,217

These running costs are incurred in the UK, in sterling.

- 6 Funds managed in Darjeeling are:

	£
additions to Darjeeling trustee's float	849
payments to Darjeeling trustee's assistant	330

These sums are spent on the Trust activities listed in the Statement above and are monitored and receipted in the same way as other expenditure.

- 7 Two HMRC gift aid claims were settled in 2012 - for 2010-2011 and 2011-2012.
The claim in respect of the year 2012-2013 was settled in April 2014.

Darjeeling Children's Trust Annual Report 2013

Charity Registration No. 1143109

Principal office address: 151 Abbey Road, Westbury-On-Trym, Bristol BS9 3QH

Trustees :

Katie Williams, Pasang Wangdi, Sheila Saye, Sharan Patel, Polly Martin, Hugh Heron, Louise Hall, Katherine Carr, Penelope Adams, Marilyn Adams

Governance and Management

The Darjeeling Children's Trust (DCT) was originally constituted by Trust Deed in early 2008. This document was amended in June 2011 to comply with a suggested amendment from the Charity Commission to allow full registration to proceed. The current Trust Deed is dated June 2011 and registration by the Charity Commission was confirmed on 27 July 2011.

New trustees are invited to join the Trust when either a vacancy arises due to the resignation of a current trustee or when a gap is identified in the skills available to trustees and which needs to be filled. The procedure followed is in accordance with advice published by the Charity Commission.

During 2013 two additional trustees were appointed: Polly Martin and Katie Williams.

Objectives and Activities

The Trust seeks to advance the education and preserve and protect the good health of the children and young people of Darjeeling through the provision and improvement of education facilities, through improvements to their living conditions and through sponsorship.

In September 2012 trustees approved the Trust's second five year plan to cover the period 2013 – 2018 which provides detailed targets which are consistent with the Trust's aims and objectives. This plan sets the context against which suggested new projects are assessed. The plan states that Darjeeling Children's Trust will work with the local community to:

- Sponsor individual children to attend better schools;
- Help improve the physical fabric of schools where conditions have an adverse impact upon children's health and where this work would contribute to the quality of the educational experience, including by inviting supporters of the Trust to adopt individual school improvement projects;
- Fund a travelling library to visit at least 6 primary schools to encourage literacy, access to information and a love of reading and hold an annual story telling competition;
- Provide music teaching in primary schools and for all sponsored children and provide tuition for musically gifted children within these groups to enable them to enter music exams if desired;

- Fund and provide support for young people to undertake hospitality training and nursing training and provide vocational training in needlework at the Girls' Orphanage;
- Fund health improvement measures for girls and boys at a local orphanage;
- Support the rebuilding of a boys' orphanage which is in a state of disrepair;
- Facilitate volunteering in Darjeeling as and when candidates with the appropriate skills and aptitudes present themselves.
- In addition Trustees will ensure a full range of management skills is available to ensure the long term sustainability of Darjeeling Children's Trust and that visits are made by UK Trustees twice a year to Darjeeling so far as is possible.

Achievements and Performance in 2013

It should be noted that the work of the Trust was interrupted for 6 weeks from the end of July as a result of the all-out strike which took place in Darjeeling and surrounding area. Activities recommenced immediately after the strike was called off.

a) Improvements to schools

A request to DCT for help with the funding of school improvements was made by Mahatama Gandhi School which takes pupils of both primary and secondary school ages. The school was seeking financial support for the replacement of the roof to the school hall which is in poor condition. This would cost in excess of £5000 and it was decided at that time that this was beyond the resources of the Trust. The request was deferred for future consideration in 2014.

b) Travelling Library

In April DCT said goodbye to Sabita Thapa as its travelling librarian/storyteller. Sabita had been with us since the start of the project and her enthusiasm was a big contributor to its success. She helped to increase the number of schools visited, and the annual story telling competition, which involved the children from all the schools which are visited, was her idea.

The Trust's new librarian/storyteller is Tshering Bhutia, an experienced teacher who joins the Trust from her position in a privately run primary school. With good english and an outward going personality we are sure we have made the right choice and look forward to seeing her in action in future visits.

The project itself continues to work well with visits being made to eight primary schools.. Books are being lent to the children who take them home to read and they are looking after them well. We have a good stock of books suitable for a variety of abilities and ages which we have mainly sourced from a publisher in Nepal. Some of the stories are in nepali, some in both nepali and english with a few just in english and we also have a stock of books in hindi. Almost all are based on local folk stories or relate in other ways to the lives the children lead.

c) Music teaching in schools

The teaching of music in primary schools was identified as a target in the Trust's revised five year plan, which was adopted in 2013, as access to and participation in musical activities has been shown by research to have a beneficial effect upon a child's emotional and intellectual development. A peripatetic music teacher has now been working with the children for over three years. He visits eight municipal primary schools and also provides singing lessons to the children sponsored through the Trust. The children start to learn new songs in March at the start of the new school year with some teaching of the ideas of music theory which have been presenting an interesting challenge to some of the younger participants.

Plans which were made for a second music festival to be held in autumn 2013 were put on hold due to the political unrest and will be reviewed in 2014.

d) Vocational training

DCT has continued to provide financial support to young people undertaking vocational training courses, including paying for course fees, books, uniforms and where appropriate for travel and hostel accommodation. Four new students started their course to undertake hospitality training at the Food and Craft Institute, a government college in Darjeeling, in summer 2013. Subject to their successful completion of the course in summer 2014 and 6 months' work placement, they will each will gain a nationally recognised Diploma. All come from poor families and without support would be unable to do the course. Unusually the students undertaking the course this year are all young men.

The four students who began this course in mid 2012, three young women and one young man, all successfully completed their college based training in mid 2013 and all will shortly complete the 6 month practical element of the course. All have passed their exams and monitoring will take place of their success in finding appropriate jobs once they finally graduate. Experience has demonstrated that this training provides a successful way into employment by young people who previously were unable to gain work.

One young woman began a two year course in nursing training at a private hospital in Darjeeling in July 2013. A second young woman has been training as a laboratory technician in a college in Siliguri.

The training in needlework skills has continued at the Girls' Orphanage but it has been disappointing that the course has been interrupted by changes in teachers. Whilst the girls have continued to enjoy the course its effectiveness will be re-assessed in 2014.

e) Health improvements at the orphanages

Funding for health improvement measures originally concentrated on the Girls' Orphanage in view of their more apparent needs due to the cramped nature of their site and consequent crowded living conditions which have an adverse impact upon their health. Early measures concentrated upon provision of goods such as combs, medicated soap and towels. This has expanded over time to include water deliveries to allow better personal hygiene. In addition the girls benefit from visits from a qualified nurse paid for by the Trust who advises them and monitors their health. She also advises the Trust of specific needs, such as for medication,

as they arise. This activity by the Trust has now been expanded to include deliveries of medicated soap and towels to the 60 boys in the Boys' Orphanage.

The resources provided by the Trust continue to make a significant difference to the children and young people's health and well-being, especially since problems are more quickly addressed as they arise. Expenditure by the Trust on this area is unlikely to change until all 100 children are accommodated in new buildings, at which time it is anticipated that the improvement in conditions will result in fewer health problems and also water supplies will be more readily available.

f) Supporting redevelopment of the orphanages

DCT has continued to work in partnership with the Kripasaran Buddhist Mission, acting as supporter, adviser and fund raiser to the Mission in order to achieve the redevelopment of the boys' orphanage site so that it can eventually accommodate 60 boys and 40 girls. Responsibility for managing the project, however, lies with the Kripasaran Buddhist Mission which is a completely separate body and which has also been raising monies.

The contract for Phase 1 construction was let in autumn 2012 to provide the dormitory accommodation for 60 boys which will be an enabling step to allow demolition of some of the existing buildings on the site and new buildings to be erected for Phase 2. The ground breaking ceremony took place in early November and work started in earnest in January 2013. Site conditions and weather have been challenging throughout the year and in April 2013 DCT provided a concrete mixer for the project to allow faster progress. This will be available for all phases of the project. Unfortunately the all-out strike which took place in Darjeeling from the end of July for six weeks led to a complete stoppage in the site.

Thanks to fund raising both in India and the UK funds are available to allow completion of Phase 1 and can be transferred through the Kripasaran Mission's FCRA account. Fund raising efforts are now being directed towards raising monies for the second phase although the need to fund the Trust's other core work has been recognised.

g) Child Sponsorship

A total of 50 children were being sponsored through the Trust at the end of 2013.

The main challenge facing the Trust is ensuring the continuity of funding for each child, although reserves are sufficient to match any shortfall generated in this way. The economic situation has possibly resulted in difficulty in attracting new sponsors and consequently the Trust is not currently expanding the numbers of children in the scheme. Efforts have concentrated instead on ensuring that income is sufficient to cover the costs of those currently sponsored.

There has been a significant increase in costs attached to the scheme resulting largely from rises in school fees. Consequently recent requests for sponsorship have resulted in a doubling up of some sponsors now being attached to some children and consequently no increase in the number sponsored. Increasing costs are likely to continue as the children increase in age and further costs eg computer fees and more expensive books are incurred.

The scheme is of significant benefit to the children who are now in better education. They appear to have a developing self-confidence and all are making good progress in their

studies. Although Trustees seek to ensure that families are completely supportive of the process and are settled in Darjeeling, there can be no guarantee of each child continuing in the scheme. The child and his family who left Darjeeling without notice in 2012 have not re-appeared in the town and the Trust has no knowledge of his whereabouts. Such an event represents a lost opportunity to another child and a waste of resources to the Trust. Nevertheless such incidents are infrequent and do not invalidate the programme in any way.

h) Fund raising

The general issues relating to fund raising are discussed in the financial report for 2013. Donations, fund raising events and sponsorship are the three largest sources of income for the Trust. Whilst the total amount derived from gift aid and interest is not large it is significant when expenditure is considered. The challenge for the Trust in the next few years will be to maintain the level of income under these three heads to ensure that funds are available for core activities whilst also increasing the amount available for the orphanage redevelopment through the 100 Darjeeling Children's Appeal.

Costs associated with child sponsorship remain the largest area of spend for the Trust with significant expenditure also identified on vocational training.

Trust running costs are the smallest area of expenditure. The major components of this are fees charged by electronic cash transfers and by Just Giving. None of this expenditure relates to the payment of personal expenses for Trustees and the Trust remains fortunate that all trustees are willing to cover all such costs themselves. It should also be noted that the total running costs remain significantly lower than the amount of income from Gift Aid.

i) Policy on reserves and other financial issues

The Trust's policy on reserves is to maintain a minimum cash balance of £5000, a figure which will be periodically reviewed. None of the funds held by the Trust are in deficit.

The Trust does not act as the Custodian Trustee for any assets.

Recommended that:

The report be adopted as a fair and true account of the Darjeeling Children's Trust's activities in 2013

Approved 8th March 2014

Marilyn Adams

Chairperson

Darjeeling Children's Trust

Independent Examiner's Report to the Trustees of the Darjeeling Children's Trust

I report on the accounts of the charity for the year ended 31 December 2013 which are set out on pages 1 to 4.

Respective responsibilities of trustees 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 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the 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 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave 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.

Nicholas James Chivers, FCA
Sully Partnership Limited
8 Unity Street
College Green
Bristol
BS1 5HH

Date: