

DARJEELING CHILDREN'S TRUST

FINANCIAL REPORT 2015, (including ANNUAL ACCOUNTS)

Summary

The Trust has had another successful year, carrying out a wide range of activities in Darjeeling. 2015 saw no major fundraising event on behalf of the Kripasaran Buddhist Mission orphanage but the Trust continued to support the project through occasional funding and through technical advice. Income remains stable and generally predictable. The Trust's forecasts suggest it will be able to continue its current level of activity into the future.

The Year in Figures

Total receipts in the year were £46,560. This is substantially lower than the previous year, due entirely to there being no major fundraising event in 2015. General receipts were £35,816, similar to 2014, while the orphanage Appeal collected £10,744. At the end of 2015 the Trust had collected £356,000 since its foundation in 2008.

Payments out of the Trust's bank accounts were £41,710. Of this

- £29,614 was spent on the Trust's general activities in Darjeeling, and
- £12,096 was applied to the Appeal, to fund works preliminary to phase 2 of the orphanage redevelopment or to pay the initial costs of a major fundraising event planned for 2016, on behalf of the orphanage project.

Total payments since 2008 in support of the children and young people of Darjeeling are £295,000.

The difference between this sum and total receipts is represented largely by the Trust's current cash balances. These balances increased slightly during the year, to £68,540, of which the Appeal fund accounts for £38,193. This will be transferred to the Mission for the construction of phase 2 of the orphanage, as and when needed. The remainder, £30,347, is held in the UK or in Darjeeling and will be spent on the Trust's unrestricted activities during 2016, or held as reserves.

The Trust operates two bank accounts. An account at the Co-operative bank holds funds for the Trust's general activities in Darjeeling, (unrestricted activities), while an account at the Charities Aid Foundation collects for the orphanage Appeal. The year-end cash balance of £68,540 was made up of:

The Co-operative bank	£23,693
Charities Aid Foundation	£38,193
Cash held in Darjeeling	£6,654 (unrestricted activities)

Each of these balances is in line with forecasts and represents a normal working balance for the activity.

The Trust maintains detailed financial forecasts for two years beyond the year of account. These forecasts show that the Trust will be able to continue its current level of general activities and its financial support to

the orphanage redevelopment. General reserves held in the UK should remain at or above the Trust's recommended minimum level, £5,000.

Trust forecasts are based on an exchange rate assumption of Rupees 96 = £1. This is substantially more favourable than the rates available up to the middle of 2013. The Trust's risk management plan will consider the action it would have to take should the exchange rate worsen considerably.

Further details of the Trust's finances are given in the attached Receipts and Payments and Assets and Liabilities statements, and their notes, and the Trustees' report. These statements will when approved be submitted to the Charity Commission during 2016.

Restricted funds

The Trust operated two restricted funds during 2015:

The Orphanage Appeal

The Trust originally undertook to raise funds for the orphanage redevelopment over a three year period, in line with the original construction timetable. Due to a number of factors, including on-site conditions, completion will now take longer but this extended timetable should not affect the Trust's ability to support the project.

Nursing training

A donation of £1,500 from Pontefract Rotary Club was restricted to the continuing provision of nursing training. This sum has allowed a number of young people to begin, or continue, their education in this field. The Trust will continue to fund this scheme from its own resources.

Receipts

Child sponsorship

Child sponsorship receipts in 2014 were £17,095, a substantial increase over the previous year. This increase is due principally to a single donation that covers a five-year period.

Fundraising targets

The Trust's target is to raise £12,000 a year for general funds from ad hoc donations and from fundraising events. This was achieved. Ad hoc donations were £5,498 and fundraising events produced £6,582, almost entirely from the Golf Day.

The Trust has no specific targets for fundraising for the orphanage Appeal. Receipts have continued to come from standing order and ad hoc donations. A major fundraising event is planned for April 2016.

Gift aid

At the time of writing all gift aid claims were up-to-date. The claim for 2015-16 will be made during 2016.

Payments

General activities

The Receipts and Payments statement analyses the £41,710 spent during the year. All the general activities from 2014 continued into 2015. In addition the Trust funded a new vocational course for trainee beauticians.

The only significant change in level of expenditure between 2014 and 2015 was in school improvements. The Trust committed to a limited programme of improvement works in late 2015, the funding to be split between 2015 and early 2016.

Other activities include: the travelling library (a literacy scheme); learning through music (music literacy); healthcare and other support to the children at the existing orphanage.

Trust running costs

These are analysed in the notes to the R&P statement. Running costs in 2015 were 2.6% of total expenditure. Over the last three years running costs have averaged 1.8% of total expenditure. The costs of major fundraising events, e.g. the hire of venues and the provision of catering, are shown separately in the Receipts and Payments statement.

The Trust is keen to ensure that its running costs are at least matched by the income it receives from gift aid, allowing it to say that all donations received are spent on beneficiaries in Darjeeling. At the end of 2015 gift aid income since the foundation of the Trust exceeded cumulative running costs by £16,000.

Independent examination

The approved accounts for 2014 were independently examined during 2015. They were approved without qualification. The accounts and other required documents were submitted to the Charity Commission by the due date (October 2015).

Recommendation

The Trust is recommended to approve the attached statements Receipts and Payments 2015, and Assets and Liabilities at 31.12.2015, and the Trustees' Report, as the Trust's financial summary for 2015.

Approved 5th March 2016