

NUESTROS PEQUEÑOS HERMANOS UK
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



CHARITY INFORMATION

Trustees

The trustees who have served during the year and since the year-end are as follows:

Francesca Griffiths
Mariavittoria Rava
Dr Jean-Christophe Bertrand (Appointed 16th January 2019)
John George Iberle (Appointed 16th January 2019)

Charity Number

1171737

Contact Address

c/o Child & Child
21 Grosvenor Place
London
SW1X 7HN

Independent Examiner

J R Caladine FCCA
Caladine Limited
Chartered Certified Accountants
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

NUESTROS PEQUEÑOS HERMANOS UK
FOR THE YEAR ENDED 31 DECEMBER 2019

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Report of the Trustees

The trustees have pleasure in presenting the annual report and accounts for the charity for the year ended 31 December 2019.

1 Objectives and activities

The objects of the CIO (Charitable Incorporated Organisation) are:

- (a) the advancement of education;
- (b) the prevention or relief of poverty;
- (c) the relief of those in need because of ill health, disability, financial hardship or other disadvantage;
- (d) the advancement of the Christian religion;
- (e) worldwide, but in particular in Latin America and the UK, amongst young people and their families by providing or assisting by making grants towards the provision of care, education, training and healthcare programs; and
- (f) advancing the charitable objects, and mission of NPH international as may be determined from time to time, provided that such objects and mission remain compatible of with the objects the CIO.

NPH UK works closely with our parent organisation, NPH International. NPH offers vulnerable and disadvantaged children and young adults a way out of poverty by providing healthcare, education and nutritious food. Most importantly, they receive unconditional love. Wherever possible, NPH programmes support children in their own homes, with their own families. If that is not possible, they may join the NPH family in one of NPH's residential care homes.

2 Structure, governance and management

Nuestros Pequeños Hermanos United Kingdom (NPK UK) is a CIO registered with the Charity Commission in February 2017. NPH UK is one of presently 23 NPH organisations worldwide and It exists to support the NPH mission and run fundraising and volunteer programmes.

The charity trustees manage the affairs of the CIO and may for that purpose exercise all the powers of the CIO. They may also employ and remunerate staff as are necessary for carrying out the work of the CIO.

Every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. NPH International shall have the right to appoint one trustee, whose appointment shall be confirmed by and take effect from the date of a resolution subsequently passed by the charity trustees.

The charity has a Board of Advisors with two members. Advisors are selected experts who offer their skills and experience to contribute to specific subject areas or projects.

NPH UK also has a part-time director to manage the operations of the charity and work closely with the trustees on setting strategic direction.

In April 2019, the trustees took the decision to suspend the services of the charity administrator provided through a solicitor's firm in an effort to manage financial resources more efficiently by bringing administrative duties in-house. These responsibilities now fall under the remit of the director, whose working hours have increased to accommodate the additional tasks.

3 Grant Making Policy

The CIO raises funds and works directly with NPH International to select projects to fund. Following consultation with NPH International, the CIO will pay grants to NPH organisations to fund projects in Latin America and the Caribbean directly advancing the CIO's objectives. For safeguarding of funds, bank accounts of these organizations held at banks in USA may be used. A portion of funds will also go to projects identified in other countries, mainly in the UK, to be in line with NPH ethos, mission and values.

4 Review of activities

The trustees met three times during 2019. They continued to develop systems and processes for the good governance of the charity such as policies and procedures on finance and expenses, reserves, conflicts of interest and data protection, as well as a confidentiality statement to be signed by trustees, staff and advisors.

The charity continued to focus on raising funds through **events**, although due to various circumstances, only two events were held in 2019.

- Thanks to the charity's close collaboration with NPH Italy who launched a successful partnership with the Italian fashion brand, Twinset, an engagement event at their London store in June 2019 raised awareness and funds for 'Women for Haiti', a breast cancer prevention, diagnosis and treatment project in Haiti run by NPH's partner organization, St. Luke Foundation for Haiti.
- In September 2019, a teen festival attended by around 400 young people and on-line auction raised money for NPH educational projects, as well as for projects in the UK that alleviate child poverty. This event was partially sponsored by the teen girl fashion brand, Subdued. Positive engagement with parents led to the recruitment of new volunteers and one of the young people who attended went on to raise money for us through her school.

2019 also saw NPH UK develop our **supporter engagement opportunities**.

- We introduced our service camps initiative in partnership with NPH Italy that has many years of experience in this successful model. Service camps are unique and rewarding opportunities for young people and adults to spend up to two weeks taking part in the daily life of an NPH home, contributing to the running of our programme and spending time with the children.
- We also launched our Ambassador initiative on our website, providing fundraising ideas and tools to encourage supporters to raise money for us and spread the word about our mission.

With the support of skilled volunteers, we developed our **communication strategy**, particularly in the area of digital communication including our website and social media.

- We created social media guidelines and recruited a young volunteer for the role of social media coordinator, resulting in the launch of our Instagram account and more regular activity on Facebook, thus increasing our followers and post engagement. We created several new pages on our website, including additional contact forms for people interested in specific initiatives, and improved the navigation. Our website visitor numbers increased from 1,397 in 2018 to 4,629 in 2019. We also increased our followers on Facebook from 84 to 174 in 2019.
- We increased the number of subscribers to our e-newsletter from 123 in 2018 to 250 in 2019 by establishing on-line sign-up at our events. We also launched our first e-newsletter. We produced a new promotional leaflet and merchandise.
- We conducted detailed research into CRM options and undertook a comprehensive review of our digital payment processors and platform, and accounting software, resulting in changes programmed for 2020 which will reduce costs, increase efficiency and build better donor engagement through greater integration.

We worked closely with NPH International to identify projects that required NPH UK support. The charity sent grants to the value of £25,115 to NPH programmes across the nine countries where the charity operates in Latin America and the Caribbean. We funded university education projects in Bolivia, Dominican Republic, Guatemala, Haiti, Honduras, Mexico and Peru. In El Salvador we funded the early childhood centre that provides pre-school education to children both in residential care and from the local community. This service enables many parents to go out to work while their children are cared for and supported in their early development. In Nicaragua we funded community education which enables children from low-income households to attend the NPH school. We also funded the work of NPH Haiti St Damien Paediatric Hospital, specifically the malnutrition and rehydration wards.

We continued to fund the operational costs of the homes through our growing **child sponsorship programme**. Thanks to restricted donations from our supporters, we supported staffing costs at NPH Haiti's physiotherapy programme that works with children with special needs as well as adults suffering from illness and disabilities, an HIV treatment project in Honduras and a relief fund to support NPH Haiti as the country struggled with social unrest and economic crisis.

The charity continued its important partnership with the **Childhood Trust** that works to alleviate child poverty in London. We were able to provide a grant of £1,500 from funds raised at the teen festival, further upholding the objects of the charity and maintaining support for UK-based projects.

We also provided support to the value of £11,687 which had been raised at our event in December 2018 to Genoa City Council in Italy to support families affected by the **Morandi bridge disaster**.

The trustees are incredibly grateful for the generous and loyal support of all our donors and sponsors, both individuals and corporates. Furthermore, the charity continued to receive many gifts in kind, including event auction items, food and drink, with a value of over £7,000. We are also very thankful to the many dedicated volunteers who supported us with events and important administrative and communication tasks. Over 50 volunteers gave us approximately 500 hours of their time and skills.

5 Future Plans

At the end of 2019, the trustees agreed on priorities for 2020 in the areas of fundraising, communication, CRM and other software integration, and recruitment of trustees and other volunteers.

In the area of fundraising, a large event and accompanying auction is planned for February 2020. Further events are also planned, but at the time of writing, it is uncertain these will go ahead as anticipated due to the Covid-19 pandemic, so alternatives will need to be found.

There will be a specific focus on expanding child sponsorship, with development of the website to provide more information and enable on-line sign-up, as well as a recruitment drive at the first event of the year. The charity also plans to engage different communities in the UK and support young professionals in their fundraising endeavours by providing them with a network to exchange best practice.

In the area of communication, the bi-monthly e-newsletter will become an important engagement channel for our supporters and a means of raising funds digitally with regular calls to action. The website will be developed further with additional ways to give, including direct debit and new campaigns.

The charity will switch on-line payment platform and processing providers, along with accounting software, for a more integrated and cost-effective solution. This is part of a wider CRM strategy to engage better with our donors. A database proposal will be further analysed and a decision made based on integration and costs.

The trustees hope to recruit at least one additional local member to the board to build the capacity of the team and produce greater fundraising success.

6 Financial review and reserves policy

The CIO's work is dependent on income raised through events and donations from the public, companies or foundations. The third year of operations was more challenging for NPH UK because we held fewer fundraising events and auctions than planned and they have represented the majority of our income to date. We did see a pleasing increase in our general donation income, but our total income decreased from £127,545 in 2018 to £38,077 in 2019.

Expenditure also decreased from £109,816 in 2018 to £91,540 in 2019. Event and silent auction costs fell, as did digital fundraising which, after the set-up of the website in 2018, saw lower maintenance costs in 2019. Charity management and administration costs also decreased after the charity brought administration tasks in-house. Salary costs rose as they represented 12 months of the director's salary who started working at NPH UK in October 2018.

The charity provided grants worth over £38,000, a decrease of around £10,000 from 2018, but still a significant amount that benefitted children and young people in Latin America and the Caribbean, the UK and Italy.

As at 31 December 2019, NPH UK had assets of £60,903, a decrease of £58,881 on the balance at the close of 2018.


The trustees approved a reserves policy at the end of 2019 that stipulates that a reserve corresponding to 50% of the charity's annual running costs is necessary and sufficient for 2020. The level of reserves required will be discussed, and possibly modified, each year by the trustees when approving the budget for the following year.

7 Risk Management

The trustees, in their responsibility to identify, assess and manage risks, introduced several policies and procedures in 2019 including finance and expenses, reserves, conflicts of interest and data protection. They reviewed the accounts on a quarterly basis, exchanged discussion over email and held meetings with the charity director to agree on fundraising, communication, CRM and grant-making strategies. They took prudent decisions on reserves and grant-making that reflected the financial situation of the charity.

- 8** The charity Accountant is J R Caladine Esq of Caladine Limited, Chartered Certified Accountants of Chantry House, 22 Upperton Road, Eastbourne, East Sussex, BN21 1BF who has carried out the Independent Examiners Report.

On behalf of the trustees



Francesca Griffiths
Trustee

Date: 30/9/2020

Independent Examiner's Report to the Trustees of Nuestros Pequeños Hermanos UK

I report to the charity trustees on my examination of the accounts of Nuestros Pequeños Hermanos UK ('the CIO') for the year ended 31 December 2019, which are set out on pages 4 to 6.

Responsibilities and basis of report

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

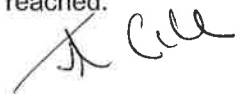
I report in respect of my examination of the CIO's accounts carried out under section 145 of the Act. In carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- (2) the accounts do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



J R Caladine FCCA
Caladine Limited
Chartered Certified Accountants
Chantry House, 22 Upperton Road
Eastbourne, BN21 1BF

Date: 7 October 2020

Receipts and Payments Accounts

	2019			2018		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
<u>Receipts</u>						
Donations and legacies	2,829	2,582	5,411	236	1,805	2,041
Events income	29,306	1,622	30,928	72,194	4,905	77,099
Silent auction income	1,678	60	1,738	48,355	-	48,355
Other income	-	-	-	50	-	50
						-
Total receipts	33,813	4,264	38,077	120,835	6,710	127,545
<u>Payments</u>						
Charity management and administration	5,314	-	5,314	14,190	-	14,190
Bank charges	969	-	969	568	-	568
Accountancy	780	-	780	-	-	-
Printing, postage and stationery	779	-	779	29	-	29
Rent	1,800	-	1,800	1,197	-	1,197
Small equipment	-	-	-	466	-	466
Wages	27,667	-	27,667	6,881	-	6,881
Travel	108	-	108	1,603	-	1,603
Grants	29,859	8,443	38,302	44,649	4,000	48,649
Event costs	13,593	-	13,593	20,922	-	20,922
Digital fundraising costs	1,369	-	1,369	6,757	-	6,757
Silent auction expense	800	-	800	8,505	-	8,505
Sundry	59	-	59	50	-	50
Total payments	83,097	8,443	91,540	105,816	4,000	109,816
Transfers between funds	370	(370)	-	-	-	-
Net receipts	(48,914)	(4,549)	(53,463)	15,019	2,710	17,729
Funds brought forward 1 January 2019	112,160	6,812	118,971	97,141	4,102	101,242
Funds carried forward 31 December 2019	63,246	2,263	65,508	112,160	6,812	118,971

Statement of Assets and Liabilities as at 31 December 2019

	2019	2018
	£	£
<u>Cash Funds</u>		
Cash at bank and in hand	65,508	118,972
	<u>65,508</u>	<u>118,972</u>
<u>Other monetary assets</u>		
PAYE refund due	<u>-</u>	<u>1,592</u>
<u>Liabilities</u>		
PAYE and wages due	3,825	-
Accountancy and independent examination fee	780	780
	<u>4,605</u>	<u>780</u>

Approved by the trustees on 30/9/2020 and signed on their behalf by


Francesca Griffiths
Trustee

Notes to the Financial Statements

1 Accounting Policies

The Financial Statements have been prepared on a receipts and payments basis in accordance with Section 133 of the Charities Act 2011.

2 Donation

Donations are recognised when received by or on behalf of the charity.

3 Expenditure

Expenditure is recognised in the year in which it is incurred and allocated to the appropriate category.

4 Funds

The charity operates a general fund for its activities. The charity also operates several restricted funds as follows:

<u>Fund Name</u>	<u>B/fwd</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>C/fwd</u>
NPH Dominican Republic child sponsorship	-	312	(249)	-	63
NPH Haiti Kay Christine	170	120	(177)	-	113
NPH Mexico child sponsorship	364	312	(382)	-	294
Genoa bridge relief fund	4,905	-	(4,905)	-	-
NPH Haiti child sponsorship	228	112	(255)	-	85
NPH Honduras HIV relief	230	-	(204)	(26)	-
NPH Haiti relief fund	915	200	(996)	(119)	-
NPH Haiti St Damien hospital rehydration ward	-	1,500	(1,275)	(225)	-
NPH El Salvador child sponsorship	-	26	-	-	26
St Luke Foundation cancer prevention	-	1,682	-	-	1,682
	<u>6,812</u>	<u>4,264</u>	<u>(8,443)</u>	<u>(370)</u>	<u>2,263</u>

The charity allocates up to 15% of monies donated for specific projects towards the general management and administration of the charity. These are shown above as transfers to the general fund.