

NUESTROS PEQUEÑOS HERMANOS UK
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



Caladine
Chartered Certified Accountants

NUESTROS PEQUEÑOS HERMANOS UK
FOR THE YEAR ENDED 31 DECEMBER 2020

CONTENTS

| | |
|-------------------------------------|---|
| Charity Information | 1 |
| Trustees Report | 2 |
| Independent Examiners Report | 3 |
| Receipts & Payments Account | 4 |
| Statement of Assets and Liabilities | 5 |
| Notes to the Financial Statements | 6 |

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
John George Iberle

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

Report of the Trustees

The trustees have pleasure in presenting the annual report and accounts for the charity for the year ended 31 December 2020.

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 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.

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 remotely three times during 2020 (in March, August and November). As it became increasingly clear from March onwards that the Covid-19 pandemic would cause significant and sustained disruption to our daily lives and in-person fundraising opportunities, discussions centred on strategies to shift our focus on-line to virtual initiatives. In light of the projected uncertainty, close financial monitoring and budget reforecasts enabled the trustees to make prudent decisions on grant-making levels for the current and following year.

Despite the pandemic, we were fortunate to be able to hold two **fundraising events** during the year, with the support of a small group of dedicated and skilled volunteers.

- In early February 2020, our Winter Gala Dinner and Dancing at The Dorchester, which we organized with support from NPH Italy, was attended by almost 300 guests. The event celebrated 65 years since NPH was first established in Mexico. It included a successful auction thanks to many prizes donated by generous supporters. We recruited over 20 new child sponsors and 6 people provided university scholarships to enable young people at NPH to study for a year. £61,345 was raised from ticket revenue and £13,281 from the auction, as well as £13,136 from general and restricted donations.
- In October 2020, we held a small family dining initiative to coincide with school half-term and Halloween in partnership with exclusive Italian restaurant C London. 25 guests enjoyed a three-course meal, either on-site or at home, and we received some additional donations from generous supporters who were not able to take part. £4,270 was raised.

We continued to enhance our **digital communication and fundraising strategy**, working closely with two skilled volunteers.

- Our social media presence and reach grew. Our followers on Facebook increased from 174 in 2019 to 223 in 2020 and we reached almost 500 people with our most popular post. We also gained over 100 Instagram followers during the year, growing to around 300.
- We launched our e-newsletter in 2020, producing 7 Mailchimp campaigns throughout the year, each one taking our supporters to news story or engagement opportunity on our website with a call to action. Our number of subscribers increased from 250 in 2019 to 279 in 2020, although we removed 30 suspicious subscribers at the end of the year.
- Our e-newsletter audience engagement proved positive, with an average 'open rate' of 41.8%, higher than the Mailchimp average at 38.3%. In terms of clicks through to links, we averaged at 5.3%, just below the average of 5.4%.
- Our Coronavirus e-newsletter and social media appeal in March 2020 contributed to a positive response from on-line donations. We saw an increase from £28 to £1,310 in the first six months of 2019 and 2020 respectively. Our annual on-line giving increased from £495 in 2019 to £2,471 in 2020.
- We created extensive new web content on sponsorship of children, both in residential care and in the community. We also integrated new on-line payment tools, replacing RaiseNow with the more economical option of GiveWP, and SIX Payment Services with Stripe.
- We invested human resources in designing and implementing our first digital Christmas campaign in 2020 with a series of themed posts on social media and e-newsletters with inspiring Christmas-related stories, plus the option to give a gift of a donation. This involved setting up on-line 'Tribute' giving where we offered supporters a selection of gifts to suit different budgets and the opportunity to send a Christmas e card. After Christmas, this function was adapted to provide people with opportunities to give a gift of a donation for other special occasions such as birthdays.

We continued to create fundraising and engagement opportunities in the areas of **individual giving** and **community fundraising**.

- A targeted effort was made to build relationships between new child sponsors and the children they support, including reminders about birthdays and other special occasions, proactive sharing of news related to their sponsor child, and promotion of the Sharing Fund, which enables donors to give a contribution to mark an important occasion in the name of the child they sponsor. Donations to this fund amounted to £800 during the year.
- We produced two Child Sponsorship videos towards the end of the year which we promoted through our e-newsletter and social media. We also encouraged existing sponsors to share them with their network.
- We continued to engage with supporters who want to raise money for NPH. In 2020, we were very grateful to receive donations worth over £3,350 from both individuals and a university society that fundraised through their school, peers and personal networks.
- At the height of the initial outbreak of Covid-19, we facilitated a very generous donation from an Italian supporter living in the UK who wished to contribute to both the efforts by Italian health authorities and NPH to protect the most vulnerable from the virus. This resulted in a donation of £86,000, £78,324 of which was sent as a grant to one of our partner NPH organisations, Fondazione Francesca Rava - N.P.H ITALIA Onlus, to buy specialist medical equipment for a hospital in Italy, with the remaining £7,676 awarded to NPH UK for general purposes.

After extensive research into CRM options, we agreed to use the award-winning Donorfy, designed specifically for UK charities to manage and enhance their fundraising. Set-up and integration began at the end of 2020. We also switched our accounting software from Liberty to Xero. This was designed to enhance efficiency through in-built integration with Donorfy.

Throughout the year, efforts were made to recruit at least one more UK-based trustee, both through the networks of the current trustees and the use of recruitment platforms. However, these were not successful, so this will continue to be one of our priorities in 2021.

The trustees worked closely with the director and leadership of NPHI to evaluate and agree on a prudent amount to be sent in grants to NPH programmes in Latin America and the Caribbean. Given the fundraising challenges and financial uncertainty caused by the Covid-19 pandemic, it was decided to reduce our grants in 2020, focusing on ensuring that donors' restricted donations were allocated to the programmes of their choice. We sent grants to **seven NPH national programmes** to the value of £16,795.

We provided grants for university education programmes in Bolivia, El Salvador and Mexico. In Haiti, we funded the life-saving work of **NPH Haiti St Damien Paediatric Hospital**, providing specific support to the oncology ward. We continued to support staffing costs at NPH Haiti's physiotherapy programme that works with children with special needs and adults suffering from illness and disabilities. We also funded the breast cancer prevention project run by NPH Haiti's partner organisation, **St. Luke Foundation**. In Honduras, we provided a grant to their urgent Covid-19 prevention project.

We continued to fund the operational costs of our residential care homes through our growing **child sponsorship programme**, as well as special celebrations and activities for the children through contributing to respective Sharing Funds.

The trustees are enormously grateful for the generosity and loyalty of all our supporters. In addition to monetary donations, the charity continued to receive many gifts in kind, specifically event auction items, with a value of over £30,000. We are also very thankful to the many dedicated volunteers who supported us with events and important administrative and communication tasks. Around 30 volunteers gave us approximately 510 hours of their time and skills, including 2 school students carrying out work experience and their Duke of Edinburgh Award.

5 Future Plans

At the end of 2020, the trustees discussed priorities for 2021 in the areas of fundraising, communication and supporter engagement, as set out in the strategy for the following year.

In the area of event fundraising, on-going uncertainty caused by the Covid-19 pandemic will make the planning and execution of a large in-person event challenging. It is hoped that by quarter 4 of 2021 we will be able to organise such an event, but there is no guarantee. On-line or smaller alternatives will be planned for quarters 1 and 2. Where possible, we will promote a regular giving opportunity at these events, such as child sponsorship, to build financial sustainability.

Regular giving opportunities will be expanded through the development of the 'Join the Lifesavers' product to encourage giving to NPH Haiti St Damien Paediatric Hospital. Existing content on our website will be enhanced, along with a digital campaign and in-person promotion at events if possible.

Further promotion of annual university grants that enable young people to complete further education qualifications will be sought where appropriate, such as at in-person events, with previous donors etc.

Research will be conducted into eligibility for the charity to apply for grants from charitable trusts and foundations, with an aim to begin submitting applications and achieving initial success in this area.

In the area of digital communication, the website will be developed further with the addition of so-called 'cornerstone' content to increase visibility of our core themes of education, healthcare, nutrition, sustainability etc. Country programme content will also be updated to reflect the increasingly diverse programmes and projects NPH delivers to support children and families in need.

Work will continue on our new CRM so that it becomes an integral tool for our fundraising management and donor engagement activities.

The trustees hope to recruit at least one additional local member to the board to enhance the capacity of the team and diversity our income streams and base of potential donors.

6 Financial review and reserves policy

The CIO's work is dependent on income raised through events and donations from the public, companies, trusts and foundations. The fourth year of operations for NPH UK saw the onset of a global pandemic that forced us to reduce significantly our in-person fundraising activities. Fortunately, thanks largely to a successful event at the beginning of the year and a very generous donation from an individual, we saw increases in all our income streams. Our total income rose from £38,077 in 2019 to £194,582 in 2020.

Expenditure also increased from £91,540 in 2019 to £189,965 in 2020. Event and silent auction costs rose, due to February's large event. Accountancy costs were higher because of set-up fees for Xero. Salary costs rose to reflect a full year of increased hours of the charity director. Rent costs decreased due to a temporary reduction offered by the provider during lockdown. Digital fundraising costs were lower to reflect the move from on-line payment platform RaiseNow to GiveWP. Charity management and administration costs also decreased after the charity brought administration tasks in-house in 2019.

The charity provided grants worth £95,118, compared with £38,302 in 2019.

As at 31 December 2020, NPH UK had assets of £67,639, a small increase on the balance of £60,903 at the close of 2019.

The trustees reviewed the reserves policy at the end of 2020 and agreed that a reserve corresponding to 50% of the charity's annual running costs would continue to be necessary and sufficient for 2021.

7 Risk Management

The trustees, in their responsibility to identify, assess and manage risks, reviewed several policies and procedures in 2020 including finance and expenses, reserves, conflicts of interest and data protection. Small amendments were made to the finance, expenses and reserves policies. 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

16/9/2021

Date:

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 2020, 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: 23 September 2024


Receipts and Payments Accounts

| | 2020 | | | 2019 | | |
|---|-------------------|-----------------|----------------|-------------------|-----------------|-----------------|
| | Unrestricted £ | Restricted £ | Total £ | Unrestricted £ | Restricted £ | Total £ |
| <u>Receipts</u> | | | | | | |
| Donations and legacies | 13,350 | 102,336 | 115,686 | 2,829 | 2,582 | 5,411 |
| Events income | 65,615 | - | 65,615 | 29,306 | 1,622 | 30,928 |
| Silent auction income | 13,281 | - | 13,281 | 1,678 | 60 | 1,738 |
| Other income | - | - | - | - | - | - |
| | | | | | | - |
| Total receipts | 92,246 | 102,336 | 194,582 | 33,813 | 4,264 | 38,077 |
| <u>Payments</u> | | | | | | |
| Charity management and administration | 2,491 | - | 2,491 | 5,314 | - | 5,314 |
| Bank charges | 938 | - | 938 | 969 | - | 969 |
| Accountancy | 1,380 | - | 1,380 | 780 | - | 780 |
| Printing, postage and stationery | 17 | - | 17 | 779 | - | 779 |
| Rent | 1,088 | - | 1,088 | 1,800 | - | 1,800 |
| Small equipment | 32 | - | 32 | - | - | - |
| Wages | 37,313 | - | 37,313 | 27,667 | - | 27,667 |
| Travel | - | - | - | 108 | - | 108 |
| Grants | 936 | 94,182 | 95,118 | 29,859 | 8,443 | 38,302 |
| Event costs | 45,874 | - | 45,874 | 13,593 | - | 13,593 |
| Digital fundraising costs | 235 | - | 235 | 1,369 | - | 1,369 |
| Silent auction expense | 3,480 | - | 3,480 | 800 | - | 800 |
| Sundry | 1,999 | - | 1,999 | 59 | - | 59 |
| Total payments | 95,783 | 94,182 | 189,965 | 83,097 | 8,443 | 91,540 |
| Transfers between funds | 3,173 | (3,173) | - | 370 | (370) | - |
| Net receipts | (364) | 4,981 | 4,617 | (48,914) | (4,549) | (53,463) |
| Funds brought forward 1 January 2020 | 63,246 | 2,263 | 65,508 | 112,160 | 6,812 | 118,971 |
| Funds carried forward 31 December 2020 | 62,882 | 7,244 | 70,125 | 63,246 | 2,263 | 65,508 |

Statement of Assets and Liabilities as at 31 December 2020

| | 2020 | 2019 |
|---|---------------|---------------|
| | £ | £ |
| <u>Cash Funds</u> | | |
| Cash at bank and in hand | 70,125 | 65,508 |
| | <u>70,125</u> | <u>65,508</u> |
| <u>Other monetary assets</u> | | |
| PAYE refund due | <u>-</u> | <u>-</u> |
| <u>Liabilities</u> | | |
| PAYE and wages due | 1,682 | 3,825 |
| Accountancy and independent examination fee | 804 | 780 |
| | <u>2,486</u> | <u>4,605</u> |

Approved by the trustees on 16/9/21 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 Donations

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 | 63 | 862 | (374) | (139) | 412 |
| NPH Haiti Kay Christine | 113 | 220 | (249) | - | 84 |
| NPH Mexico child sponsorship | 294 | 3,312 | (1,049) | (541) | 2,016 |
| NPH Haiti child sponsorship | 85 | 2,205 | (600) | (344) | 1,346 |
| NPH El Salvador child sponsorship | 26 | 312 | (91) | (50) | 197 |
| NPH Bolivia child sponsorship | - | 592 | - | (88) | 504 |
| NPH Guatemala child sponsorship | - | 893 | - | (134) | 759 |
| NPH Honduras child sponsorship | - | 892 | (260) | (134) | 498 |
| NPH Nicaragua child sponsorship | - | 25 | - | (4) | 21 |
| NPH Peru child sponsorship | - | 300 | - | (45) | 255 |
| NPH Bolivia university scholarships | - | 1,921 | (1,747) | (174) | - |
| NPH El Salvador university scholarships | - | 1,980 | (1,083) | (297) | 600 |
| NPH Mexico university scholarships | - | 4,010 | (3,518) | (492) | - |
| NPH Nicaragua university scholarships | - | 2,528 | (2,200) | (328) | - |
| NPH Dominican Republic sharing fund | - | 230 | (236) | - | (6) |
| NPH El Salvador sharing fund | - | 44 | (45) | - | (1) |
| NPH Haiti sharing fund | - | 176 | (27) | - | 149 |
| NPH Honduras sharing fund | - | 100 | - | - | 100 |
| NPH Mexico sharing fund | - | 250 | - | - | 250 |
| NPH Bolivia restricted donation | - | 10 | - | - | 10 |
| NPH Honduras restricted donation | - | 1,300 | (1,332) | 32 | - |
| NPH Italy restricted donation | - | 78,324 | (78,324) | - | - |
| NPH Mexico restricted donation | - | 300 | (307) | 7 | - |
| NPH Peru restricted donation | - | 50 | - | - | 50 |
| St Luke Foundation cancer prevention | 1,682 | - | (1,465) | (217) | - |
| NPH Haiti St Damien hospital oncology ward | - | 1,500 | (1,275) | (225) | - |
| | <u>2,263</u> | <u>102,336</u> | <u>(94,182)</u> | <u>(3,173)</u> | <u>7,244</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.

5 Related party transactions

The charity donated £78,324 to Fondazione Francesca Rava - N.P.H. ITALIA Onlus in the year, of which Mariavittoria Rava is President.