

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



Caladine
Chartered Certified Accountants

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM
FOR THE YEAR ENDED 31 DECEMBER 2021

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CHARITY INFORMATION

Trustees

Francesca Griffiths
Mariavittoria Rava
Dr Jean-Christophe Bertrand (resigned 31 January 2022)
John George Iberle
Natasha Petiton (appointed 7 September 2022)
Vanessa Barade (appointed 7 September 2022)

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

The trustees have pleasure in presenting the annual report and accounts for the charity for the year ended 31 December 2021.

1 Objectives and activities

On 4th June 2021 during a trustee meeting, it was agreed to amend the objects of the CIO (Charitable Incorporated Organisation) from:

- (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; 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
- (e) 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.

to:

- (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; 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 programmes; and
- (d) advancing the charitable objects, values and mission of NPH international founded by Father William B. Wasson, as may be determined from time to time, provided that such objects, values and mission remain compatible of with the objects the CIO.

Upon approval of the requested changes by the Charity Commission for England and Wales, on 31st January 2022, during a trustee meeting, a further resolution to approve the said changes to the objects was passed unanimously.

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.

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.

The charity also has within its structure an Advisory Board, originally composed of two members. However, one member has now left the UK after starting a family, having provided valuable event management, legal and administration support since NPH UK was first established. The other member has continued to support the charity with his digital communication expertise.

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 organisations 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 four times during 2021 (in June, July, October and December). The Covid-19 pandemic continued to cause widespread disruption to our lives, particularly during the first half of the year, with a third national lockdown coming into force in January 2021 and restrictions on social contact lasting until the summer. However, with the mass roll-out of the vaccination programme and the easing of restrictions in the latter half of the year, we were able to carry out some in-person fundraising initiatives once again with careful and flexible planning.

When the first cases of the omicron variant were confirmed in the UK in November 2021, there was concern that a surge in cases would lead to another lockdown. Fortunately, this was averted as omicron's impact was milder than previous variants, with hospitalisations remaining low and the roll-out of the vaccination booster campaign proving effective.

Throughout the year, close financial monitoring and budget reforecasts enabled the trustees to make prudent decisions on grant-making levels.

During the spring when Covid-19 restrictions were still in place, we entered into a small-scale yet successful **corporate partnership** with Badiani Gelato Ltd, a well-known Italian ice-cream company with stores across London. During the month of April and half of May, the company donated 5% of their sales of specific ice-cream products to us, both in-store and on-line. Through effective promotion by both parties, the initiative raised over £700 at a time when it was important for us to explore new ways to raise funds and awareness.

Despite the ongoing pandemic, we were fortunate to be able to hold two in-person **fundraising events** in the second half of the year, with the support of a small group of dedicated and skilled volunteers.

- In September 2021, we held a small roof-top garden party (originally planned for June, but postponed due to extended social contact restrictions) at Mercato Metropolitano Mayfair. 'Meet Again' was well attended by around 60 guests and over £5,800 was raised. Furthermore, as a result of the promotion of our child sponsorship programme, one guest signed up to support a child. We were very grateful for the generous support of Mercato Metropolitano and the various outlets that sponsored the event, providing delicious food.
- In November 2021, we held our 'Christmas Charity Dinner' at Frescobaldi restaurant. Around 70 guests enjoyed a fantastic three-course meal, raffle and live entertainment from jazz singer Simona Barbieri, as well as an impromptu performance from one of the guests, professional singer Maria Elena Infantino. We very much appreciated the partnership with Frescobaldi and the kindness of the raffle prize sponsors. The event, including income from the raffle, raised almost £10,600. In addition to this, two guests signed up to our child sponsorship programme which we promoted on the night.

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 223 in 2020 to 243 in 2021 and we reached 1,000 people with our most popular post. We also gained around 50 Instagram followers during the year, growing to over 350.
- We continued producing our e-newsletter through Mailchimp campaigns, sending five throughout the year, each one taking our supporters to a news story or engagement opportunity on our website with a call to action. Our number of subscribers remained stable and at the end of the year there were almost 240. Our e-newsletter audience engagement continued to be positive, with an average 'open rate' of 49.9%, higher than the Mailchimp average at 39.3%. In terms of clicks through to links, we averaged at 5.3%, just below the average of 5.7%.
- In July 2021, we sent an e-newsletter with an appeal in response to the crisis in Haiti caused by the assassination of the President. This was closely followed by another appeal in the aftermath of an earthquake in Haiti in August 2021. We saw a positive response with combined on-line donations reaching almost £500.
- While our annual on-line giving decreased from £2,471 in 2020 to £1,404 in 2021, it should be recognised that our 2020 result was largely due to our Covid-19 campaign and our 2021 digital income was well above that of 2019, when we raised £495.
- We strove to maintain and improve the NPH UK website throughout the year with updated information about our programmes and their impact. We created new content including stories about the children and young people NPH supports, a page explaining NPH's definition of 'vulnerable children' and how we help them, and additional content on our 'Partner' page, detailing our new success in 2021 in securing grants from charitable trusts and foundations.

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

- Throughout the year, we received income from ten new child sponsorships, four of which were a result of our 2020 end of year video campaign which sought to recruit new sponsors. Three new sponsors signed up after attending in-person events during which we highlighted specific children. However, it should also be acknowledged that despite consistent efforts to retain all new sponsors whom we had recruited during our fundraising gala dinner in early 2020, several sponsorships lapsed in 2021. That said, efforts would continue into 2022 to encourage these donors to return.
- Through regular stewarding of child sponsors, including updates and photos about the children they support and timely reminders about their birthdays, we increased our income through the Sharing Fund. Donors contributed £1,089 over the course of the year to this fund which gives them the opportunity to mark a special occasion in their sponsor child's life.

With an aim to diversify our income streams and lessen our reliance on event fundraising, as well as raise visibility of NPH UK among grant-making organisations and the wider public, we conducted research and began to submit grant proposals to **charitable trusts and foundations**.

- Throughout the year, ten applications were made for grants amounting to almost £22,500 for a variety of programmes and projects, including NPH Honduras special needs, NPH Bolivia and NPH El Salvador school education, NPH Mexico greenhouse production expansion, NPH Guatemala mental health support and NPH Haiti St. Damien Paediatric Hospital cancer ward.
- By the end of December 2021, we had received positive responses from four charitable trusts. These were Souter Charitable Trust and The Tula Trust Ltd., which both awarded grants of £2,633 and £2,000 respectively for the school education programme in NPH Bolivia, Open Gate Trust which contributed £2,436 to the greenhouse expansion project in NPH Mexico, and The Pat Newman Memorial Trust which gave a grant of £1,000 to support mental health provision to children and young people in NPH Guatemala. We were very grateful for the support of these trusts.

We strengthened our focus on **strategic partnerships** throughout 2021. Thanks to our ongoing collaboration with Fondazione Francesca Rava N.P.H. Italia Onlus (NPH Italy) and their relationship with one of their corporate donors, luxury fashion brand Loro Piana, an opportunity arose to embark upon a project to empower disadvantaged young people in the UK when Loro Piana requested an expansion of a similar project run by NPH Italy to NPH organisations based in Europe.

This resulted in a grant of EUR 5,000 (£4,121) being awarded to NPH UK from Loro Piana via NPH Italy in December 2021 to implement the 'Way to Independence' project in 2022. The project would run in collaboration with IRMO (Indoamerican Refugee Migrant Organisation), a London-based charity that supports Latin Americans living in the capital with development and training opportunities, as well as information and advice services. This new partnership between IRMO and NPH UK was an exciting opportunity to work with another organisation with similar values, while extending our reach to Latin American young people in the UK.

Following the initial set-up of our CRM Donorfy at the end of 2020, further integration was added in 2021. This resulted in our beginning to claim **Gift Aid** on eligible donations for the first time since NPH UK was established. In total, we claimed £3,427 over the last six months of 2020, including on historical donations. A concerted effort was maintained throughout the year to ask new and existing donors to sign up to Gift Aid, with some success.

Despite our ongoing attempts concerning **trustee recruitment** through the posting of adverts on the platforms Charity Jobs and Do.it.org, this did not yield positive results. One potential candidate with a strong profile was suggested by one of the trustees, but unfortunately this did not come to fruition. At the end of the year, another trustee shared information about Cause Strategy Partners, a U.S. based firm that helps companies to place people on NGO boards. This lead would be pursued in 2022 with positive results and the recruitment of two new trustees.

Given the ongoing challenging fundraising context and heightened financial uncertainty caused by the Covid-19 pandemic, the trustees, supported by the director, agreed once again to focusing our **grant-making** in 2021 on donors' restricted donations. We were able to send grants of varying sizes to the total value of £15,913 to all nine NPH national programmes in 2021.

We provided a grant for the **NPH Bolivia school education programme**. We funded the life-saving work of **NPH Haiti's St Damien Paediatric Hospital** with contributions from donors who responded to our earthquake campaign, as well as a small grant to help **increase security measures at NPH Haiti** in response to the ongoing and escalating crisis in the country. 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 gave a grant to contribute to **NPH Guatemala's mental health support** as part of their healthcare programme. We also partially funded **NPH Mexico's greenhouse production expansion project** to help provide more home-grown, nutritious produce to the children there.

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

The trustees are incredibly grateful for the generosity and loyalty of all our supporters. In addition to monetary donations, the charity continued to receive gifts in kind in 2021, specifically raffle items for our event in November with a value of over £800, as well as the pro-bono service of our pay-roll accountant. We are also hugely appreciative of the many committed and talented volunteers who supported us with event planning and execution, important administrative and translation tasks, and on-going communication strategies. Around 15 volunteers gave us approximately 250 hours of their time and skills throughout 2021.

5 Future Plans

At the end of 2021, priorities for 2022 were discussed in the focus areas of fundraising, supporter engagement, communication and governance.

In the area of event fundraising, it was hoped that we would be able to hold more and larger-scale events. The success of the UK Covid-19 vaccination campaign was cause for cautious optimism, although the potential emergence of vaccine-resistant variants was an on-going concern. Our 2022 provisional plans consisted of a formal dinner in quarter 1, a Christmas-themed event in quarter 4, and a combination of smaller donor/new supporter events in quarters 2 and 3. It would be important to continue to promote regular giving opportunities at these events, such as child sponsorship, as well as include income-enhancing elements, such as raffles and/or auctions.

Our stewardship of child sponsors and other regular givers would continue too, with regular contact and updates.

Our website development and updates would be on-going, with additional content planned, including detailed information on NPH's education, healthcare and family strengthening programmes. Our communication through social media and e-newsletters would seek to extend our reach to new supporters while maintaining engagement with current donors.

We would strive to build on our early success in 2021 in securing funding from charitable trusts and foundations, with the aim to gain repeat grants from those trusts who gave to us this year where feasible, as well as first-time grants from additional trusts. Capacity permitting, we would also explore the possibility of applying for grants from corporate foundations.

Trustee recruitment would continue to be a priority in 2022, with an application to the Cause Strategy Partners Board Lead programme that matches participating charities with employees of companies. The aim would be to find trustees with suitable skills and experience who were based in the UK and could support the team's current efforts, as well as introducing new initiatives and networks.

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 fifth year of operations for NPH UK was a challenging one from a fundraising perspective, with the Covid-19 pandemic continuing to make large in-person fundraising activities difficult both to plan and execute. Fortunately, we were able to raise moderate income from events (just over £17,000), maintain a reasonable level of recurring income amounting to around £7,000, and secure new income of over £12,000 in grants from a combination of charitable trusts and corporates. However, our total income decreased from £194,581 in 2020 to £42,257 in 2021.

Expenditure also decreased from £189,965 in 2020 to £62,859. This was due principally to much lower event costs (one event was almost entirely sponsored and the other on a small scale compared with our gala dinner in early 2020) and grant-making levels. Our grants to NPH programmes remained consistent; we gave £15,913 in 2021, compared with £16,795 in 2020. However, in 2020, following a large donation from an individual donor, an additional restricted grant was given to our partner, Fondazione Francesca Rava N.P.H. Italia Onlus, at the donor's request.

Our running costs remained close to those incurred in 2020, as did our management and administration costs.

As at 31 December 2021, NPH UK had net assets of £47,015, a decrease on the balance of £67,648 at the close of 2020.

The trustees agreed to wait until January 2022 to review the reserves policy when revised payroll figures would be available for that year which would include the planned National Insurance contribution increase to be introduced in April of 2022. In January 2022, the trustees would agree that 50% of the charity's budgeted annual running costs plus management and administration costs would continue to be necessary and sufficient for 2022. This came to £21,271.

7 Risk Management

The trustees, in their responsibility to identify, assess and manage risks, reviewed five out of our six policies and procedures in 2021 including finance and expenses, confidentiality, conflicts of interest and data protection. No amendments were made. They reviewed the accounts on a quarterly basis, exchanged discussion over email and held meetings with the charity director to agree on fundraising, engagement, trustee recruitment and grant-making strategies. They took sensible decisions on grant-making that reflected the financial situation of the charity and future plans, in the context of a more positive outlook for 2022.

On behalf of the trustees



Francesca Griffiths
Trustee

Date:

21/10/2022

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 2021, 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: 24 October 2022

Receipts and Payments Accounts

| | <u>2021</u> | | | <u>2020</u> | | |
|--|---------------------|-------------------|---------------|---------------------|-------------------|----------------|
| | <u>Unrestricted</u> | <u>Restricted</u> | <u>Total</u> | <u>Unrestricted</u> | <u>Restricted</u> | <u>Total</u> |
| | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> |
| <u>Receipts</u> | | | | | | |
| Donations and legacies | 4,838 | 8,083 | 12,921 | 13,349 | 102,336 | 115,685 |
| Events income | 17,146 | - | 17,146 | 65,615 | - | 65,615 |
| Silent auction income | - | - | - | 13,281 | - | 13,281 |
| Grants | 1,776 | 10,414 | 12,190 | - | - | - |
| Total receipts | <u>23,760</u> | <u>18,497</u> | <u>42,257</u> | <u>92,245</u> | <u>102,336</u> | <u>194,581</u> |
| <u>Payments</u> | | | | | | |
| Charity management and administration | 3,910 | - | 3,910 | 2,491 | - | 2,491 |
| Bank charges | 284 | - | 284 | 938 | - | 938 |
| Accountancy | 804 | - | 804 | 1,380 | - | 1,380 |
| Printing, postage and stationery | 8 | - | 8 | 17 | - | 17 |
| Rent | 1,800 | - | 1,800 | 1,088 | - | 1,088 |
| Small equipment | - | - | - | 32 | - | 32 |
| Wages | 35,025 | - | 35,025 | 37,313 | - | 37,313 |
| Grants | - | 15,913 | 15,913 | 936 | 94,182 | 95,118 |
| Event costs | 4,851 | - | 4,851 | 45,874 | - | 45,874 |
| Digital fundraising costs | 264 | - | 264 | 235 | - | 235 |
| Silent auction expense | - | - | - | 3,480 | - | 3,480 |
| Sundry | - | - | - | 1,999 | - | 1,999 |
| Total payments | <u>46,946</u> | <u>15,913</u> | <u>62,859</u> | <u>95,783</u> | <u>94,182</u> | <u>189,965</u> |
| Net receipts/(payments) | (23,186) | 2,584 | (20,602) | (3,538) | 8,154 | 4,616 |
| Transfers between funds | 1,021 | (1,021) | - | 3,173 | (3,173) | - |
| Funds brought forward 1 January 2021 | 62,881 | 7,244 | 70,125 | 63,246 | 2,263 | 65,509 |
| Funds carried forward 31 December 2021 | <u>40,716</u> | <u>8,807</u> | <u>49,523</u> | <u>62,881</u> | <u>7,244</u> | <u>70,125</u> |

Statement of Assets and Liabilities as at 31 December 2021

| | 2021 | 2020 |
|---|---------------|---------------|
| | £ | £ |
| <u>Cash Funds</u> | | |
| Cash at bank and in hand | 49,523 | 70,125 |
| | <u>49,523</u> | <u>70,125</u> |
| Represented by | | |
| Unrestricted funds | 40,716 | 62,881 |
| Restricted funds | 8,807 | 7,244 |
| | <u>49,523</u> | <u>70,125</u> |
| <u>Liabilities</u> | | |
| PAYE due | 1,668 | 1,673 |
| Accountancy and independent examination fee | 840 | 804 |
| | <u>2,508</u> | <u>2,477</u> |

Approved by the trustees on 21/10/22 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 | 412 | 1,014 | (767) | (161) | 498 |
| NPH Haiti Kay Christine | 84 | 120 | (114) | (6) | 84 |
| NPH Mexico child sponsorship | 2,016 | 1,079 | (750) | (187) | 2,158 |
| NPH Haiti child sponsorship | 1,346 | 2,987 | (2,491) | (462) | 1,380 |
| NPH El Salvador child sponsorship | 197 | 312 | (263) | (49) | 197 |
| NPH Bolivia child sponsorship | 504 | 25 | (504) | (4) | 21 |
| NPH Guatemala child sponsorship | 759 | 300 | (759) | (45) | 255 |
| NPH Honduras child sponsorship | 498 | 275 | (540) | (41) | 192 |
| NPH Nicaragua child sponsorship | 21 | - | (21) | - | - |
| NPH Peru child sponsorship | 255 | 401 | (510) | (60) | 86 |
| NPH El Salvador university scholarships | 600 | - | - | - | 600 |
| NPH Dominican Republic sharing fund | (6) | 231 | (130) | - | 95 |
| NPH El Salvador sharing fund | (1) | 85 | (85) | - | (1) |
| NPH Haiti sharing fund | 149 | 673 | (580) | - | 242 |
| NPH Honduras sharing fund | 100 | - | (100) | - | - |
| NPH Mexico sharing fund | 250 | - | (250) | - | - |
| NPH Peru sharing fund | - | 100 | (100) | - | - |
| NPH Bolivia restricted donation | 10 | - | (10) | - | - |
| NPH Peru restricted donation | 50 | - | (50) | - | - |
| NPH Haiti political crisis | - | 203 | (200) | (3) | - |
| NPH Haiti earthquake fund | - | 278 | (275) | (3) | - |
| NPH Guatemala mental health | - | 900 | (900) | - | - |
| NPH Mexico greenhouse expansion | - | 2,320 | (2,320) | - | - |
| NPH Bolivia primary education | - | 4,194 | (4,194) | - | - |
| Young women's empowerment | - | 3,000 | - | - | 3,000 |
| | - | - | - | - | - |
| | <u>7,244</u> | <u>18,497</u> | <u>(15,913)</u> | <u>(1,021)</u> | <u>8,807</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

No trustee (or any person connected with them), received any remuneration or benefits of any kind during the year.

The charity donated £nil (2020: £78,324) to Fondazione Francesca Rava - N.P.H. ITALIA Onlus in the year, of which Mariavittoria Rava is President.

