

Charity registration number 1171737

**NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**



Caladine

Chartered Certified Accountants

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms Francesca Griffiths (Chair) Ms Mariavittoria Rava Ms Natasha Petiton Ms Vanessa Barade	(Appointed 7 September 2022) (Appointed 7 September 2022)
Charity number	1171737	
Principal address	C/O Child and Child 22 King Street London SW1Y 6QY	
Independent examiner	John Caladine FCCA CTA FCIE Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

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NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the CIO's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

(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.

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.

Achievements and performance

The trustees met remotely five times during 2022 (in January, May, September, November and December). There were some important changes in the team throughout the year.

At the end of January, Jean-Christophe Bertrand resigned from the board after completing his three-year term. The board would like to express their gratitude to him for all his hard work, ceaseless commitment and excellent contributions. In particular, his experience in management and close work with the charity director helped with the establishment of new policies and procedures, a useful CRM, robust financial reporting and the annual budget, all of which were fundamentally important for the charity. Equally valued was his ability to motivate the team during the very challenging two years when Covid-19 had a profound impact on our operations.

In September, following our successful application to the 'BoardLead' programme run by U.S. based firm Cause Strategy Partners that helps charities to recruit new trustees and companies to provide this opportunity to interested employees, we were very pleased to welcome **two new board members**. Natasha Petiton and Vanessa Barade, both of whom are passionate about our mission, are highly-experienced professionals working at Executive Director level, Natasha as Head of Product Strategy EMEA at J.P. Morgan Asset Management and Vanessa as Global Change Management and Innovation Lead at J.P. Morgan Chase & Co. One of their first endeavours was to introduce new people to NPH UK from their networks at our Christmas ball in November.

With Covid-19 restrictions eased, we were able to hold three in-person **fundraising events** during the year with the support of a small group of dedicated and skilled volunteers. At each event, we promoted regular giving opportunities, such as child sponsorship and support for university students, and included income-enhancing raffles and auctions. The trustees are very grateful to the venues, auction and raffle sponsors, and musicians who supported these initiatives.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

- In March 2022, we held a black-tie gala dinner 'It's Springtime' for around 120 guests at IT London restaurant. The event raised over £37,000 from ticket revenue, a raffle and donations. Lively entertainment from singer Francesco Filizzola (who gave his performance free of charge) and Colomboloco made the evening very enjoyable. A small part of the proceeds from the event (£1,500) was assigned to the Ukraine appeal launched by partner organisation Fondazione Francesca Rava- NPH Italia ETS which provided urgent medical and humanitarian aid to those affected by the then recent Russian invasion.
- In July 2022, we organised a small, summer-themed event 'NPH UK Summer Happy Hour' at Martina London, a concept store and deli in Westbourne Grove, London. Around 50 guests enjoyed a delicious Italian buffet, created by owner Barbara Maselli who also sourced several raffle items from local businesses. The event raised over £4,700 and was a valuable engagement initiative, introducing new people to the charity.
- In November 2022, our 'Christmas Ball' at Bulgari Hotel London, which was attended by over 130 guests, raised over £43,600 in ticket sales, donations and income from the successful silent auction. Promotion of our child sponsorship programme resulted in two people signing up to support a child at NPH.

We were also pleased to be approached by two young women who organised a concert **in aid of Ukraine** in April 2022. The women chose to split the proceeds between a charity called British-Ukrainian Aid and NPH UK. The concert raised over £10,600 and we were pleased to assign over £4,500 to our partner Fondazione Francesca Rava- NPH Italia ETS to be used for their emergency appeal which provided aid and support to Ukrainian children and families affected by the war.

We continued to enhance our **digital communication and fundraising**, working closely with skilled volunteers. Our on-line presence through our website, social media channels and donation platforms increased our visibility and reach.

- This year, we registered with the popular on-line giving platform, JustGiving, responding to increased interest in supporting our work from members of the public. One such example was a group of young people who chose to support NPH UK as they travelled down South America, visiting NPH's country programme in Peru and encouraging family and friends to donate. They raised over £2,700 in total and 90% of the funds they raised up until December 2022 were sent as a grant to NPH Peru, specifically for the nutrition programme.
- We created new content on our website, notably pages describing some of our core programmes including education, healthcare and family strengthening that also provide opportunities to donate to those programmes. We introduced new, easier-to-read typography too.
- Our social media presence and reach continued to grow. Our followers on Facebook increased from 243 in 2021 to 277 in 2022. We also gained more Instagram followers during the year, growing to over 400.
- Annual on-line giving increased from £1,404 in 2021 to £15,013 in 2022. This was largely due to donations resulting from two supporters' fundraising initiatives, more details of which can be found below. Offering the option to donate quickly and securely via our website rather than by bank transfer continues to be a worthwhile investment, costing a modest annual fee.

We created and facilitated fundraising and engagement opportunities in the areas of **individual giving and community fundraising**.

- Throughout the year, we continued to steward our child sponsors, providing updates on their academic progress, Christmas cards and facilitating correspondence between them and the children. We also offered them the opportunity to give to the Sharing Fund to celebrate a special occasion in their sponsor child's life. Contributions to the fund came to more than £650 in 2022. Total income from regular giving exceeded £9,600 in 2022, compared with £7,000 in 2021.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

- We responded to a request from a supporter who was keen to run the Royal Parks Half Marathon in October 2022. We booked two 'charity places', created a dedicated page on our website, promoted the opportunity on social media and helped our runners with the registration and fundraising through JustGiving. While only one person ran in the end, this was a new initiative for us and we will be equipped to offer similar fundraising opportunities to people in the future.
- We were thrilled to be approached by two loyal supporters who were keen to choose NPH as the charity for their family and friends to donate to on the occasion of a milestone wedding anniversary and birthday. This produced a combined income of almost £20,000 and we are so thankful for these supporters who selected NPH and to all those who generously donated.

After a successful first year in 2021, we continued with our strategy to explore funding opportunities with **charitable trusts and foundations**. We submitted six grant proposals throughout 2022 and received positive responses and a total of almost £5,000 from three. We were very grateful for the support of these trusts:

- The Grace Trust awarded £1,848 for one of NPH Honduras' disability support programmes
- Gilchrist Educational Trust awarded £1,000 for NPH Nicaragua's educational programme
- Tula Trust Ltd. awarded £2,000 for NPH Guatemala's day care centre programme

As per the grant applications, 90% of funds received was allocated to restricted income and sent to the projects in NPH programme countries and 10% was allocated to unrestricted income to support with project development overheads.

We maintained our focus on **strategic partnerships** throughout 2022. Thanks to our collaboration with fellow NPH organisation in Italy, Fondazione Francesca Rava NPH Italia ETS, we embarked upon a project to empower disadvantaged young people in the UK following corporate donor Loro Piana's offer to facilitate an expansion of a similar project run by NPH Italy to NPH organisations based in Europe.

This resulted in a partnership between NPH UK and IRMO, Indoamerican Refugee and Migrant Organization, a London-based charity that helps recently arrived young Latin American migrants to find their feet in London by providing educational, personal and professional development opportunities. We provided a grant of £3,000 to IRMO to support young people in their Latin America Youth Forum to become employment-ready through the 'Way to Independence' project. We participated in sessions run by IRMO with the young people they empower and arranged a tour of Loro Piana's flagship store for one of the young project beneficiaries.

We were also thrilled to receive a large corporate donation for the first time from a company owned by a supporter who had been introduced to NPH UK through attending one of our events back in early 2020. After meeting with the donor who had expressed an interest in support NPH Haiti's St. Damien Paediatric Hospital and proposing two alternative programmes to fund, we were delighted to receive a substantial donation in July. The donor decided for the funds to be allocated to the life-saving work of the hospital's Emergency Room. We continued to engage the donor with invitations to our events and opportunities to meet with key St. Damien hospital staff, and we hope that this will mark the beginning of a longstanding partnership.

In September, thanks to the support of Nicholas Rogers, NPH International Director of Communications, we established a partnership with the Roman Catholic Parish of St. Joseph's Malvern. Nicholas gave a talk to members of the church's community at their One World Group's Parish Supper. This resulted not only in a small donation from the group that split the proceeds from contributions given on the night, but also in interest from some of those who attended in how to support NPH and requests to be signed up to our e-newsletter. One person also donated via our website and another offered to spend her long-service work sabbatical volunteering for us. This would take place for two weeks in June 2023 in collaboration with our director.

Our **grant-making in 2022** focused predominantly on restricted donations. Given our increased level of income which exceeded £250,000 for the first time since NPH UK was established in 2017, we were able to send grants of varying sizes to the total value of £131,413 to all nine NPH national programmes in 2022, compared with £15,913 in 2021.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

We funded the life-saving work of NPH Haiti's St Damien Paediatric Hospital with a substantial contribution towards their Emergency Room programme made possible by the aforementioned corporate donation. Thanks to an ongoing individual donation, we continued to support staffing costs at NPH Haiti's physiotherapy programme that works with children with disabilities and adults suffering from illness and disabilities. We gave a grant to contribute to NPH Peru's nutrition programme with the support of community fundraisers. We partially funded NPH Guatemala's day care centre which provides young children with a safe place to develop while enabling their families to earn an income, thanks to a grant from Tula Trust Ltd. The grant from The Grace Trust enabled us to contribute towards NPH Honduras' disability programme, specifically providing clothing to the children and young adults at Casa de los Angeles. We also sent a grant to NPH Nicaragua which enabled the purchase of 84 new academic books for the students and teachers to use at their on-site schools, thanks to the donation from Gilchrist Educational Trust.

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

The trustees are incredibly grateful for the generosity and loyalty of all our **supporters and volunteers**. In addition to monetary donations, the charity continued to receive gifts in kind in 2022, specifically raffle and auction items for our events with a value of around £12,500, as well as the pro-bono service of our pay-roll accountant, event photography, flower arranging and graphic design. 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 initiatives. Around 20 volunteers gave us approximately 300 hours of their time and skills throughout 2022. Among them was an A-level student who had previously completed his Duke of Edinburgh Silver Award with us and subsequently volunteered during the year as an on-line Maths tutor to pupils at NPH Mexico.

Financial review

The CIO's work is dependent on income raised through events and donations from the public, charitable trusts and foundations, and companies. This year was a very positive year for NPH UK from a fundraising perspective. Our total income increased from £42,257 in 2021 to £252,243 in 2022. We were able to raise substantial funds from events (£88,897), increase the level of recurring income to around £9,600, and secure £125,140 in grants from a combination of charitable trusts and corporates.

Expenditure also increased from £62,890 in 2021 to £221,937 in 2022. This was due principally to much higher grant-making levels - £140,472 in 2022 compared with £15,913 the previous year. Our staff costs remained the same and our support costs decreased from £6,002 to £5,217, mainly thanks to a saving of over £1,500 arising from the decision not to renew our contract for a desk space for the director who would work solely from home. Governance costs increased from £840 to £2,160 due to the need to produce accrual accounts because of annual income exceeding £250,000. Fundraising expenses also increased from £5,115 to £39,118 as a result of organising more fundraising events.

As at 31 December 2022, NPH UK had net assets of £77,321, compared with £47,015 at the close of 2021. There was a surplus on unrestricted funds in the year after transfers of £30,731, leaving unrestricted reserves carried forward of £68,939. There was a deficit on restricted funds in the year after transfers of £967, leaving restricted reserves carried forward of £7,840.

Reserves policy

The trustees agreed that 50% of the charity's budgeted annual running costs plus management and administration costs, would continue to be necessary and sufficient. This was calculated to be £22,000. At the year end reserves of £21,271 were held.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Risk Management

The trustees, in their responsibility to identify, assess and manage risks, approved the 2022 reserves policy in January. The remaining five policies and procedures including finance and expenses, confidentiality, conflicts of interest and data protection had been reviewed in December 2021 and would be reviewed again in February 2023. Financial results were monitored on a quarterly basis and a year-end forecast enabled the trustees to make prudent decisions about grant-making. The budget for the following year was presented and approved in December 2022. Between meetings, discussion and some operational decisions took place over email. Regular meetings with supporting documentation provided by the charity director enabled the trustees to take decisions on strategies pertaining to fundraising, running costs, trustee recruitment and grant-making.

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 21 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.

The trustees who served during the year and up to the date of signature of the financial statements were:

Ms Francesca Griffiths (Chair)

Mr John Iberle

(Resigned 11 July 2023)

Ms Mariavittoria Rava

Ms Natasha Petiton

(Appointed 7 September 2022)

Ms Vanessa Barade

(Appointed 7 September 2022)

Dr Jean-Christophe Bertrand

(Resigned 31 January 2022)

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.

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.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the CIO and of the incoming resources and application of resources of the CIO for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.


.....
Ms Francesca Griffiths (Chair)

Date: 24/10/2023

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

I report to the trustees on my examination of the financial statements of Nuestros Pequeños Hermanos United Kingdom (the CIO) for the year ended 31 December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the CIO's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Association of Chartered Certified Accountants, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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 financial statements to be reached.


John Caladine FCCA CTA FCIE

Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Dated: 25 October 2023

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	29,790	133,389	163,179	6,614	18,497	25,111
Other trading activities	4	84,388	4,509	88,897	17,146	-	17,146
Investments	5	167	-	167	-	-	-
Total income		<u>114,345</u>	<u>137,898</u>	<u>252,243</u>	<u>23,760</u>	<u>18,497</u>	<u>42,257</u>
Expenditure on:							
Raising funds	6	39,118	-	39,118	5,115	-	5,115
Charitable activities	7	45,756	137,063	182,819	41,862	15,913	57,775
Total expenditure		<u>84,874</u>	<u>137,063</u>	<u>221,937</u>	<u>46,977</u>	<u>15,913</u>	<u>62,890</u>
Net incoming/(outgoing) resources before transfers							
		29,471	835	30,306	(23,217)	2,584	(20,633)
Gross transfers between funds	16	1,802	(1,802)	-	1,021	(1,021)	-
Net income/(expenditure) for the year/							
Net movement in funds		31,273	(967)	30,306	(22,196)	1,563	(20,633)
Fund balances at 1 January 2022		<u>38,208</u>	<u>8,807</u>	<u>47,015</u>	<u>60,404</u>	<u>7,244</u>	<u>67,648</u>
Fund balances at 31 December 2022		<u><u>69,481</u></u>	<u><u>7,840</u></u>	<u><u>77,321</u></u>	<u><u>38,208</u></u>	<u><u>8,807</u></u>	<u><u>47,015</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

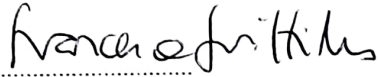
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Trade and other receivables	13	542		-	
Cash at bank and in hand		80,537		49,523	
		81,079		49,523	
Current liabilities					
	14	(3,758)		(2,508)	
Net current assets			77,321		47,015
Income funds					
Restricted funds	16		7,840		8,807
Unrestricted funds			69,481		38,208
			77,321		47,015

The financial statements were approved by the Trustees on

24/10/2023



Ms Francesca Griffiths (Chair)

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Nuestros Pequeños Hermanos United Kingdom is a CIO with Charity Commission registration since 22 February 2017.

1.1 Accounting convention

The financial statements have been prepared in accordance with the CIO's constitution amended 03 February 2022, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The CIO is a Public Benefit Entity as defined by FRS 102.

The CIO has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the CIO. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the CIO has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the CIO is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the CIO has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the CIO has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The CIO has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the CIO's balance sheet when the CIO becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the CIO's contractual obligations expire or are discharged or cancelled.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the CIO is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the CIO's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2022 £	2022 £	2022 £	2021 £
Donations and gifts	29,322	8,717	38,039	12,921
Grants receivable	468	124,672	125,140	12,190
	<u>29,790</u>	<u>133,389</u>	<u>163,179</u>	<u>25,111</u>
Donations and gifts				
Donations and gifts	26,923	8,717	35,640	9,494
Gift Aid receivable	2,399	-	2,399	3,427
	<u>29,322</u>	<u>8,717</u>	<u>38,039</u>	<u>12,921</u>

For the year ended 31 December 2021

	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £
Donations and gifts	4,838	8,083	12,921
Grants receivable	1,776	10,414	12,190
	<u>6,614</u>	<u>18,497</u>	<u>25,111</u>
Donations and gifts			
Donations and gifts	1,411	8,083	9,494
Gift Aid receivable	3,427	-	3,427
	<u>4,838</u>	<u>8,083</u>	<u>12,921</u>

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Other trading activities

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2022 £	2022 £	2022 £	2021 £
Fundraising events	84,388	4,509	88,897	17,146

5 Investments

	Unrestricted funds	Total
	2022 £	2021 £
Interest receivable	167	-

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
<u>Fundraising and publicity</u>		
Staging fundraising events	38,838	4,851
Digital fundraising costs	280	264
	39,118	5,115

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Charitable activities

	2022 £	2021 £
Staff costs	35,020	35,020
Grant funding of activities (see note 8)	140,422	15,913
Share of support costs (see note 9)	5,217	6,002
Share of governance costs (see note 9)	2,160	840
	<u>182,819</u>	<u>57,775</u>
Analysis by fund		
Unrestricted funds	45,756	41,862
Restricted funds	137,063	15,913
	<u>182,819</u>	<u>57,775</u>

8 Grants payable

	2022 £	2021 £
Grants to institutions:		
NPHI USA grants to NPH beneficiaries	131,413	15,913
NPH Italia ETS Ukraine grants	6,009	-
IRMO Independence project	3,000	-
	<u>140,422</u>	<u>15,913</u>

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Charity management and administration	3,309	-	3,309	3,123	-	3,123
Bank charges	859	-	859	284	-	284
Printing, postage & stationary	48	-	48	8	-	8
Rent	186	-	186	1,800	-	1,800
Insurance	815	-	815	787	-	787
Accountancy	-	1,620	1,620	-	560	560
Independent Examination	-	540	540	-	280	280
	<u>5,217</u>	<u>2,160</u>	<u>7,377</u>	<u>6,002</u>	<u>840</u>	<u>6,842</u>
<u>Analysed between</u>						
Charitable activities	<u>5,217</u>	<u>2,160</u>	<u>7,377</u>	<u>6,002</u>	<u>840</u>	<u>6,842</u>

10 Trustees

No trustees received any remuneration or benefits from the CIO during the year.

11 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
	1	1
	<u>1</u>	<u>1</u>
Employment costs	2022	2021
	£	£
Wages and salaries	34,000	34,000
Other pension costs	1,020	1,020
	<u>35,020</u>	<u>35,020</u>

There were no employees whose annual remuneration was more than £60,000.

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Trade and other receivables

	2022	2021
	£	£
Amounts falling due within one year:		
Gift Aid debtor	542	-
	<u> </u>	<u> </u>

14 Current liabilities

	2022	2021
	£	£
Other taxation and social security	1,598	1,668
Accruals and deferred income	2,160	840
	<u> </u>	<u> </u>
	<u>3,758</u>	<u>2,508</u>

15 Retirement benefit schemes

Defined contribution schemes

The CIO operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the CIO in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £1,020 (2021 - £1,020).

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 December 2022 £
	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	
Child sponsorship	4,787	8,940	(5,744)	(1,345)	6,638
Sharing funds	336	5,170	(4,537)	(451)	518
UK young women's empowerment project	3,000	-	(3,000)	-	-
El Salvador university scholarships	600	-	-	-	600
Haiti disability support	84	120	(120)	-	84
Haiti St Damien Hospital emergency room	-	114,729	(114,727)	(2)	-
Nicaragua education project	-	950	(950)	-	-
Guatemala day care centre project	-	1,800	(1,796)	(4)	-
Honduras disability project	-	1,680	(1,680)	-	-
Ukraine appeal	-	4,509	(4,509)	-	-
	8,807	137,898	(137,063)	(1,802)	7,840

Movements for the year ended 31 December 2021

	Movement in funds				Balance at 31 December 2021 £
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	
Child sponsorship	6,007	6,393	(6,605)	(1,009)	4,787
Sharing funds	493	1,089	(1,245)	-	336
UK young women's empowerment project	-	3,000	-	-	3,000
El Salvador university scholarships	600	-	-	-	600
Haiti disability support	84	120	(114)	(6)	84
Bolivia primary education project	-	4,194	(4,194)	-	-
Haiti earthquake campaign	-	278	(275)	(3)	-
Guatemala mental health project	-	900	(900)	-	-
Peru & Bolivia restricted donations	60	-	(60)	-	-
Haiti political crisis campaign	-	203	(200)	(3)	-
Mexico greenhouse expansion project	-	2,320	(2,320)	-	-
	7,244	18,497	(15,913)	(1,021)	8,807

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Restricted funds (Continued)

Child sponsorship: donations from individuals to support vulnerable children across NPH country programmes living in residential care and disadvantaged communities.

Sharing funds: donations from individuals to support NPH country programmes to organise birthday/Christmas celebrations and recreational activities for children living in residential care and disadvantaged communities.

UK Young women's empowerment project: grant received from Fondazione Francesca Rava - NPH Italia ETS through corporate partnership and awarded to IRMO to benefit their youth empowerment programme beneficiaries.

El Salvador university scholarships: donation from individual to support university studies of young people in NPH El Salvador.

Haiti disability support: donation from individual assigned to staff costs at NPH Haiti's programme that supports children and adults with disabilities.

Haiti St Damien Hospital emergency room: large corporate donation of £114,277 and small individual donations of £452 assigned to the emergency room at NPH Haiti's St Damien Paediatric Hospital.

Nicaragua education project: £900 grant from Gilchrist Educational Trust and small individual donation of £50 assigned to NPH Nicaragua's school project, predominantly for the purchase of academic books.

Guatemala day care centre project: grant from The Tula Trust Ltd assigned to NPH Guatemala's day care centre project that supports vulnerable children and families.

Honduras Disability Project: grant from The Grace Trust assigned to NPH Honduras' project at Casa de los Angeles that supports children and young adults with complex disabilities.

Ukraine Appeal: proceeds received from fundraising concert 'Friends for Ukraine' (split between NPH and British-Ukrainian Aid) and assigned to Fondazione Francesca Rava - NPH Italia ETS to support children and families directly affected by the war in Ukraine.

17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances are represented by:					
Current assets/(liabilities)	69,481	7,840	77,321	38,208	47,015
	<u>69,481</u>	<u>7,840</u>	<u>77,321</u>	<u>38,208</u>	<u>47,015</u>
	=====	=====	=====	=====	=====

NUESTROS PEQUEÑOS HERMANOS UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	35,020	35,020

The charity donated £6,009 to Fondazione Francesca Rava - NPH Italia ETS in the year, of which Ms Mariavittoria Rava is President.