

LINCS 2 NEPAL

Charity Number: 1130609

**Financial Accounts
for the year ended 31st December 2020**

**Saul Fairholm Limited
Chartered Accountants
12 Tentercroft Street
Lincoln
LN5 7DB**

LINCS 2 NEPAL

Financial Accounts for the year ended 31st December 2020

CONTENTS

1. Charity Information
- 2-6. Report of the Trustees
7. Independent Examiner's Report
8. Trading Profit and Loss Account
9. Balance Sheet
- 10-11. Notes to the Financial Accounts

LINCS 2 NEPAL

1.

Financial Accounts for the year ended 31st December 2020

CHARITY INFORMATION

PROPRIETOR:	The Committee
ADDRESS:	6 Dorrigan Close Lincoln LN1 1AT
ACCOUNTANTS:	Saul Fairholm Limited Chartered Accountants 12 Tentercroft Street Lincoln LN5 7DB
CHARITY REGISTRATION NUMBER:	1130609

LINCS 2 NEPAL

Report of the Trustees for the year ended 31st December 2020

The Trustees present their annual report for the year ended 31st December 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Name: Lincs 2 Nepal

Charity Number: 1130609

Charities operating address: 6 Dorrigan Close
Lincoln
LN1 1AT

Trustees:

The Trustees of the Charity at the year end were:-

Mr Garry Mark Goddard (Chair)
Mrs Tracey Lorraine Goddard
Mr Steven Pritchard
Ms Karen Hall (resigned 26th January 2020)
Mrs Emma Louise Crellin
Mrs Linda Greaves (appointed 9th November 2020)

GOVERNANCE

Lincs2Nepal is an unincorporated charity governed in accordance with its Constitution which was adopted in July 2009. The Charity has no employees, so is managed by the Trustees, supported by volunteers. We also have a Fundraising Committee, with a focus on identifying fundraising opportunities and increasing sponsorship.

During 2020 Karen Hall resigned from her position as a trustee, having moved overseas. The Trustees wish to place on record thanks to Karen for her input to the Charity's development. The Trustees are also pleased to welcome Linda Greaves to the Charity, following her election as a trustee at the Charity's Annual General Meeting on 9 November 2020.

OBJECTIVES AND ACTIVITIES

Lincs2Nepal is a 100% voluntary charity dedicated to improving the education, health and general development of families in the poorer communities of Nepal. We aim to:

- provide assistance and opportunity, through education, to oppressed, marginalised and disadvantaged lower caste communities in Nepal, in particular children;
- further the provision of healthcare and social rights for those to whom such opportunities have previously been denied due to poverty, family circumstances or oppression; and
- create a safer environment for all children and to provide support and encouragement to help improve their living and social conditions, to help them realise their potential as individuals.

We believe that education is the key to helping communities to make sustainable, long term change and so this is the principal focus of our projects. The Trustees confirm they have complied with their duty to have due regard to the Charity Commission's public benefit guidance during 2020, as demonstrated by the review of activities in the following section.

LINCS 2 NEPAL

Report of the Trustees for the year ended 31st December 2020

ACHIEVEMENTS AND PERFORMANCE

For the Charity and for our communities in Nepal, 2020 was a year like no other. The spread of Covid-19 meant that Nepal, like the UK, went into lockdown during March. There the similarity ended.

For the Charity, it meant cancelling all our planned fundraising events. In a normal year, Charity representatives make two or three visits to Nepal, to review the development of Jeevan Jyoti School and the progress of our other projects. Travel restrictions due to Covid prevented any such trips in 2020, but we have maintained close contact with our school and other partners in Nepal.

Things were different in Nepal, where many people work each day to provide that night's meal, so lockdown immediately meant no work and no food for many families. Lockdown was also impossible to enforce among the lower caste, poorly educated people we work with. Social distancing requires a house large enough to practice it. Hand washing requires access to running water. Hand sanitizers require money to buy them. People we work with do not have the kind of homes that they can self-isolate in, with most houses having no doors or windows and no internal water supply. Nepal's healthcare system is also under-developed, especially in rural communities, and hospitals are ill-equipped to deal with a pandemic - for example, having no or very few ventilators.

Jeevan Jyoti School

Our school year begins in April, but due to lockdown Jeevan Jyoti School remained closed for most of the year. A new intake of 41 lower caste children had been identified, having come through our four village feeder schools, but their entry at nursery level was delayed.

As in a normal year, Lincs2Nepal continued to pay the wages of our school's staff and teachers. During 2020 we contributed £53,421 from our sponsored scholarship programme, which enabled the school to respond to the Covid crisis in numerous ways.

The school installed Wi-Fi in the four villages where we work, to enable teachers and staff to provide online classes for the children and to provide support to teachers in our village feeder schools. This was a huge project, requiring purchase of hand-held devices, moving school computers to the villages and upgrading electricity supplies. However, it was vitally important to restart our education project, not only in continuing to provide a quality education for our children, but also reinforcing to parents how important their child's education is and how much effort is put into delivering it. All pupils from classes 1 to 6 received online lessons, while nursery, lower kindergarten and upper kindergarten classes continued learning through play, songs etc.

While Jeevan Jyoti School was closed, work also commenced to provide ten new classrooms, by adding two storeys to existing buildings. By December that work was nearing completion and the new classrooms will be ready for use in the next school year, hopefully beginning in April 2021.

December also saw the long-awaited re-opening of our school, following eight months of lockdown and similar restrictions. Initially, school reopened for the 41 new nursery children and our scholarship children from the villages, while the higher caste children are continuing with online classes and will gradually filter back into school during early 2021.

As at December 2020, we had 387 scholarship children, most of whom have sponsors. It is sad that 16 children were withdrawn from school by their parents due to the impact of Covid-19 on their families,

LINCS 2 NEPAL

Report of the Trustees for the year ended 31st December 2020

but that impact was much lower than feared earlier in the crisis, a testament to the work of teachers and staff to maintain our education project. In total there around 950 children at the school.

Emergency support during Covid-19 restrictions

On 3 June 2020 we launched a fundraising appeal to provide support for families in Nepal during lockdown. By the end of December, the appeal had raised £7,822.

The appeal was supplemented by Art Saves Lives in Nepal – an initiative launched in June by Vicky Crowther and supported by numerous local artists who donated pictures to be sold for the Charity. By the end of December, Art Saves Lives in Nepal had raised £4,333.

We are enormously grateful to everyone who donated pictures, purchased paintings or responded to the appeal. In total you helped us raise £12,155 to support vulnerable families. That fantastic response meant that we were able to distribute £6,800 within eight days of launching the appeal.

Between June and December 2020, we provided £9,464 to Jeevan Jyoti School to purchase essential supplies for the poorest families of our sponsored children and for distribution in 16 quarantine centres around Kohalpur. Our school's Principal and staff worked to identify families in most need and arranged distribution of rice, potatoes, oil, lentils, onions, vegetables, face masks and hand sanitizer to around 250 desperate families.

By the end of 2020, restrictions in Nepal had eased and some people were able to return to work. Our school staff continued to monitor the situation and provide support where it was most needed. The village aid programme was still operating, but with less than 100 families still needing our help. In June, we supported the One Golden Angel organisation, whose orphanage in Kathmandu was approached by people begging for food after ten weeks in lockdown, without work and with no government support. We contributed £800 for 100 emergency food packs which were distributed by orphanage staff.

We also provided £1,000 to another partner organisation - GROW – who were providing food and other essentials, predominantly to disabled people and their families in Kathmandu.

At the end of 2020 we still had £891 which had been raised specifically to support vulnerable families during Nepal's lockdown and restrictions – money which we plan to use early in 2021 to continue support for the reducing number of our sponsored children's families who still need help.

Village projects

In February 2020, we contributed £850 to the GROW organisation, to start a process of setting up projects - for example, mushroom farming - in our lower caste villages, with the aim of creating sustainable income streams for the village families.

Menstruation project

We have also continued our menstrual health project, with a further contribution of £600 to the Mirmire Youth Society to manufacture and distribute reusable, washable sanitary pads to thousands of women who otherwise have no access to sanitary goods. Menstruation is still very misunderstood in the rural communities of Nepal and we are also attempting to change attitudes there through education.

LINCS 2 NEPAL

Report of the Trustees for the year ended 31st December 2020

Healthcare partnership

Last year we reported that we had launched a partnership with Kohalpur Teaching Hospital. During 2020 we coordinated gathering of donated medical supplies and equipment here in the UK and began the process of exporting it to Nepal, which we hope to complete early in 2021.

In return, the hospital has agreed to provide free healthcare for our sponsored children and their families. Looking to the future, we are investigating the possibility of students from Lincoln Medical School undertaking placements at Kohalpur Teaching Hospital.

The Charity's short video review of 2020 can be viewed at: <https://youtu.be/bvqtzxKQnUA>.

FINANCIAL REVIEW

The majority of the Charity's income comes from our increasing number of child sponsors, supplemented by fundraising events and one-off donations. During 2020 the Charity received total income of £89,969 which was a 20% increase on £74,899 received in 2019.

The Charity spent £69,594 which was 3% less than the £71,905 spent in 2019. As outlined above under "Achievements and Performance", our expenditure included:

- £53,421 (77% of our total expenditure) in relation to the sponsored scholarship programme at Jeevan Jyoti School;
- £11,264 (16%) for emergency support during Nepal's Covid-19 restrictions;
- £1,450 (2%) spent on the menstruation project and village projects; and
- £3,459 (5%) on other direct and indirect charitable expenses.

In summary, our income exceeded our costs by £20,375, compared with a surplus of £2,994 in 2019.

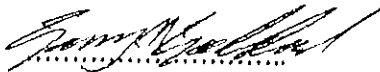
As at 31 December 2020, the Charity held reserves totalling £43,537 which comprised:

- £13,156 which is earmarked for further education and vocational training for our sponsored children when they leave Jeevan Jyoti School in future years;
- £891 which is the balance of funds raised during 2020 specifically for emergency support during Covid-19 restrictions; and
- £29,490 of general reserves. The Trustees have established a policy whereby general reserves should be sufficient to meet between two and six months' costs (i.e. between approximately £12,000 and £36,000), to provide some resilience in the event of variations in the value or timing of our income. During 2020, the level of general cash reserves varied between a temporary low of £9,000 in February and a high of £31,000 in November.

Report of the Trustees for the year ended 31st December 2020

In conclusion, 2020 provided challenges that no-one could have foreseen. We have maintained our education programme in difficult circumstances and provided essential support to many vulnerable families and people during Nepal's Covid-19 lockdown and restrictions. At home, the Charity has remained financially stable and is well-placed for future challenges, in a period when many others are understood to be struggling due to the impact of Covid on their income and increased demand for services. We are extremely grateful to everyone who has helped us achieve this.

SIGNED ON BEHALF OF THE CHARITY'S TRUSTEES



Garry Goddard
Chair and Trustee



Emma Crellin
Trustee

Date

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LINCS 2 NEPAL TRUST**

I report to the Trustees on my examination of the accounts of Lincs 2 Nepal Trust (the Trust) for the year ended 31st December 2020 which are set out on pages 7 to 11.

RESPONSIBILITIES AND BASIS OF REPORT

As the Charity Trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011('the Act').

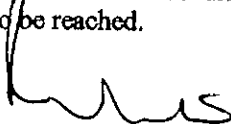
I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.



Roger White ACA
Saul Fairholm Limited
Chartered Accountants
12 Tentercroft Street
Lincoln
LN5 7DB

Date

LINCS 2 NEPAL**Statement of Financial Activities for the year ended 31st December 2020**

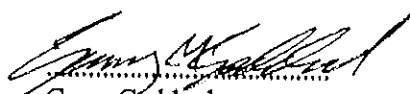
	Notes	2020		2019	
		£	£	£	£
INCOME					
Shop and Event Sales		4,851		4,081	
Fundraising Income					
General		72,963		70,818	
Covid-19 Emergency Relief	2	12,155		-	
TOTAL INCOME			89,969		74,899
DIRECT CHARITABLE EXPENDITURE					
Opening Stock		400		400	
Purchases and Event Costs		2,846		2,262	
Nepal - Cost of Projects	3	66,135		67,343	
Closing Stock		69,381		70,005	
		(1,310)		(400)	
			68,071		69,605
INDIRECT CHARITABLE EXPENDITURE					
Rent for Storage		-		750	
Insurance		34		34	
Telephone		481		463	
Postage, Stationery and Marketing		616		553	
Travelling		217		165	
Sundry Expenses		-		210	
Bank Charges		175		125	
			1,523		2,300
TOTAL EXPENDITURE			69,594		71,905
NET INCOME/(EXPENDITURE)			20,375		2,994
RECONCILIATION OF FUNDS					
Total Funds Brought Forward			23,162		20,168
Total Funds Carry Forward			43,537		23,162

LINCS 2 NEPAL**Balance Sheet as at 31st December 2020**

	<u>Notes</u>	<u>2020</u>		<u>2019</u>	
		£	£	£	£
CURRENT ASSETS					
Stocks	4	1,310		400	
Cash at Bank and in Hand		42,227		22,762	
		<u>43,537</u>		<u>23,162</u>	
CREDITORS					
Amounts falling due within one year		-		-	
NET CURRENT ASSETS			<u>43,537</u>		<u>23,162</u>
TOTAL NET ASSETS			<u>43,537</u>		<u>23,162</u>
FUNDS OF THE CHARITY					
<u>Unrestricted Funds</u>					
General			29,490	23,162	
Earmarked for further /vocational education	5		13,156	-	
<u>Restricted funds</u>					
Covid-19 emergency relief	6		891	-	
TOTAL CHARITY FUNDS			<u>43,537</u>		<u>23,162</u>

The financial statements have been prepared in accordance with 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) issued on 16th July 2014, the Financial Reporting Standard applicable in the United Kingdom (FRS 102) and the Charities Act 2011.

Approved by the Board on and signed on its behalf by:


 Garry Goddard
 Chair and Trustee

LINCS 2 NEPAL**Notes to the Accounts for the year ended 31st December 2020****1. ACCOUNTING POLICIES****Basis of preparation**

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting Standard applicable in UK and Republic of Ireland (FRS102) issued on 16th July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1st January 2015. The accounts (financial statements) have been prepared to give a 'true and fair view' and have departed from the Charities (accounts and reports) Regulation 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16th July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice from 1st April 2005 which has since been withdrawn.

Preparation of the accounts on a going concern basis

The accounts have been prepared on a going concern basis.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. FUNDRAISING INCOME-COVID EMERGENCY RELIEF

	<u>2020</u>	<u>2019</u>
	£	£
Lincs2Nepal appeal	7,822	-
Art Saves Lives in Nepal	4,333	-
	<hr/>	<hr/>
	12,155	-
	<hr/>	<hr/>

3. NEPAL-COST OF PROJECTS

	<u>2020</u>	<u>2019</u>
	£	£
Mainstream projects	54,871	67,343
Covid-19 emergency relief	11,264	-
	<hr/>	<hr/>
	66,135	67,343
	<hr/>	<hr/>

4. STOCK

	<u>2020</u>	<u>2019</u>
	£	£
Stocks	<hr/>	<hr/>
	1,310	400
	<hr/>	<hr/>

LINCS 2 NEPAL**Notes to the Accounts for the year ended 31st December 2020****5. UNRESTRICTED FUNDS-Earmarked for further/vocational education**

Some child sponsors pay more than the standard monthly amount and their donations are earmarked for specific children's further education or vocational training after the child leaves school. As at 31 December 2020, £13,156 was earmarked for further education or vocational training.

6. RESTRICTED FUNDS- COVID-19 EMERGENCY RELIEF

	<u>2020</u>	<u>2019</u>
	£	£
Balance brought forward 1 January 2020	-	-
Income	12,155	-
Expenditure	(11,264)	-
	<hr/>	<hr/>
Balance carried forward 31 December 2020	891	-
	<hr/>	<hr/>