

Company number: 03207203
Charity Commission Registration number: 1055899

NELSON MANDELA CHILDREN'S FUND (UK)
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

NELSON MANDELA CHILDREN'S FUND (UK)

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NELSON MANDELA CHILDREN'S FUND (UK)

OFFICERS AND PROFESSIONAL ADVISERS

Company Secretary:

Michael Solomon

Registered office:

6th Floor
LABS House
15-19 Bloomsbury Way
London
WC1A 2TH

Bankers:

HSBC Bank plc
210 High Holborn
London
WC1V 7BZ

Barclays Bank plc
Strand
Leicestershire
LE87 2BB

Legal advisers:

Maitland Advisory LLP
6th Floor
LABS House
15-19 Bloomsbury Way
London
WC1A 2TH

Independent examiner

M Ryan FCCA DChA
Ark Accountancy
31 Cheam Road
Ewell
Epsom
Surrey
KT17 1QX

NELSON MANDELA CHILDREN'S FUND (UK)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their report and the financial statements of Nelson Mandela Children's Fund (UK) for the year ended 31 March 2019.

Name and registered office of the charity

The full name of the Charity is Nelson Mandela Children's Fund (UK) and its registered office is 6th Floor, LABS House, 15-19 Bloomsbury Way, London WC1A 2TH.

Constitution

Nelson Mandela Children's Fund (UK) (the "Charity") is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 29 May 1996. It changed its name from Friends of the Nelson Mandela Children's Fund, by special resolution from Companies House, to Nelson Mandela Children's Fund (UK) on 9 December 2003. The company registration number is 03207203. The company is registered with the Charity Commission under Charity number 1055899.

Founder

The late President Nelson R Mandela

Board of directors and Trustees

The Trustees of the Charity are its directors for the purpose of company law and throughout this report are collectively referred to as the Trustees.

The Trustees during the year and up to the date of this report were:

Sibongile Mkhabela
Michael Solomon
Mohamed Iqbal Meer
Andrew Vergunst

Method of election of Trustees

Trustees are appointed by the members at general meetings of the Charity. One third of the Trustees are required to retire by rotation at each Annual General Meeting of the Charity, but are eligible for re-election. No person other than a Trustee retiring by rotation may be appointed or reappointed at any general meeting unless that person is recommended by the Trustees, or not less than fourteen days' notice has been given by a member of the intention to propose such person as a Trustee.

Objectives and activities

The objective of the Charity as defined in the Memorandum is to apply the funds and assets of the Charity for the relief of deprived young people in South Africa and particularly those who are homeless, those who have not had the benefit of a formal education or those in detention or prison. To fulfil this objective, the Charity supports the work of the Nelson Mandela Children's Fund, a charitable trust established by Nelson Mandela in South Africa. The Charity can also provide support to other South African organisations engaged in educational and charitable efforts relating to deprived youths in South Africa.

The Charity does not normally undertake any significant fundraising events of its own but usually assists and participates in events and activities undertaken by others on the basis that the Charity is named as one of the beneficiaries of the relevant event. During 2019, approximately 58% (2018: 29%) of the Charity's income was derived from donations, gifts and legacies, with the balance deriving from fundraising activities.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

The primary activity of the Charity is the raising of funds for the Nelson Mandela Children's Hospital, a project initiated by the Nelson Mandela Children's Fund in South Africa to establish a dedicated, specialist, referral and academic children's hospital in South Africa that focuses on enhancing the healthcare experienced from the child's perspective. The hospital started receiving its first patients in June 2017 as planned. Since then, the number of patients treated daily had been increased in phases according to plan.

Organisational structure and fundraising

Material decisions of the Charity are taken by the Board of Trustees. The day-to-day running of the Charity is managed by Miss Catherine Scott, who has been seconded by Maitland Central Services Limited to serve the Charity on a full-time basis. The Charity has one employee, being Miss Scott, and has engaged the services of an independent professional fundraiser.

Whilst there have been no new Trustees join the Charity in the year, when there is a change, it is normal practice for the Charity to induct new Trustees by providing governance literature published by the Charities Commission and ensuring the new Trustees meet the key individuals in the Charity.

Reserves, Investment and Grant making policies

The following policies have been adopted by the Trustees:

(i) Reserves

The Charity will maintain a level of reserves that is considered sufficient, by the Trustees, to cover its expected cash costs for at least one year. Accordingly, the unrestricted reserve will be distributed at the discretion of the Trustees by way of grants to the Nelson Mandela Children's Fund or other South African organisations engaged in educational and charitable efforts relating to deprived youths in South Africa. The restricted reserve fund will be distributed in accordance with the applicable restrictions placed on the funds received.

(ii) Investment policy

The funds of the Charity are invested in rolling short-term money market deposits until such date they are required for grants to the Nelson Mandela Children's Fund or other South African organisations engaged in educational and charitable efforts relating to deprived youths in South Africa.

(iii) Grant making

Grants from the Charity should be made to organisations in South Africa which have the expertise and infrastructure to utilise the grants to achieve the objectives of the Charity, namely the relief of deprived young people in South Africa.

Risk management

During the year, the Trustees have reviewed the major risks that the Charity may face which are funding and liquidity, as identified by the Trustees, and have established suitable systems and procedures to mitigate those risks.

The principal risks and uncertainties facing the Charity are a fall in income as a result of:

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

1. the demand for charitable funding for significant number of man-made and natural disasters facing the world at present;
2. the uncertain political environment following the vote by the UK to leave European Union; and
3. the loss of support from those donating services and use of infrastructure to the Charity.

The Trustees have sought to mitigate the impact of these risks by maintaining a low cost base and a relatively low commitment to future costs, and working closely with the Nelson Mandela Children's Fund in South Africa on its continually evolving strategy.

Strategy and plans for future years

The Charity's strategy is to continue to

- receive funds to provide grant support to the Nelson Mandela Children's Fund and other organisations engaged in educational and charitable efforts relating to deprived youths in South Africa, in order to fund their respective charitable activities; and
- provide advocacy initiatives and assistance in the UK and Europe for the Nelson Mandela Children's Fund and the Nelson Mandela Children's Hospital which was established by the Nelson Mandela Children's Fund.

The strategy is not expected to change in the foreseeable future. The Charity plans to continue the activities outlined above in the forthcoming years subject to adequate funding arrangements.

The key factors that are likely to affect the financial performance of the Charity over the next twelve months are expected to be the risk factors 1 and 2 mentioned in the previous section.

Review of transactions and financial position during the year

During the year ended 31 March 2019 no grants were made (2018: £75,000 to Nelson Mandela Children's Fund in South Africa). The Charity raised £37,485 (2018: £31,518 from fundraising activities and received £52,549 (2018: £19,701) in donations, legacies and gifts during the year. The Charity also received Gift Aid reclaims totalling £7,912 in the prior year. At 31 March 2019, the Charity held unrestricted reserves of £61,140 (2018: £53,092) and restricted reserves of £46,031 (2018: £46,031).

Donated services and facilities during the year ended 31 March 2019 amounted to £70,123 (2018: £66,808).

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Organisation's aims and objectives. As several grants were made during the year, the Trustees are satisfied that the Organisation's activities as described above meet the public benefit requirements determined in the Charities Act 2011.

Going concern

The Trustees have considered the Charity's going concern position in light of its activities, together with the factors likely to affect its future development, performance and position which are discussed in the above sections of this report. Given the cash outflows in the form of grants are discretionary

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and the Charity has little overhead expenditure, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis has been used in preparing the annual report and financial statements.

NELSON MANDELA CHILDREN'S FUND (UK)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

Related parties

The Charity is an affiliate of Nelson Mandela Children's Fund in South Africa. It also has a close relationship with Maitland Advisory LLP, its legal advisors, as one of the Trustees and the Charity's Company Secretary is also the Chairman of Maitland International Holdings plc, the holding company of Maitland Advisory LLP, which provides staff and facilities to the Charity. A summary of transactions with these parties is set out in note 9 to the financial statements.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law 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 Charity and the incoming resources and application of resources including the income and expenditure of the Charity 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 United Kingdom Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the Charity's Trustees, we certify that:

- so far as we are aware, there is no relevant information of which the company's independent examiner is unaware; and
- as the Trustees of the Charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the Charity's independent examiner is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

NELSON MANDELA CHILDREN'S FUND (UK)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)**

Independent examiner

As the Charity's gross income was under £1,000,000 an audit is not required for this year under section 144(1) of the Charities Act 2011, however, as the gross income exceeded £25,000 an independent examination is needed. The Trustees have requested M Ryan of Ark Accountancy to perform this independent examination.

Approved by the Board of Trustees on 20 November 2019
and signed on behalf of the Trustees

A handwritten signature in black ink, appearing to be 'Michael Solomon', written over a horizontal line.

Michael Solomon
Trustee

NELSON MANDELA CHILDREN'S FUND (UK)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NELSON MANDELA CHILDREN'S FUND (UK)

I report to the Charity's Trustees on my examination of the accounts of Nelson Mandela Children's Fund (UK) ("the company") for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet the cash flow statement and the related notes 1 to 13.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity's Trustees (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act"). You are satisfied that your Charity is not required by charity law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the 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 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

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.

M Ryan

M Ryan FCCA DChA

Surrey, United Kingdom

26/11/19

Date:

NELSON MANDELA CHILDREN'S FUND (UK)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Restricted funds £	Unrestricted funds £	31 March 2019 £	31 March 2018 £
Income from:					
Donated services and facilities	2	-	70,123	70,123	66,808
Donations, legacies and similar incoming resources		-	52,549	52,549	19,701
Income from fundraising activities		-	37,485	37,485	31,518
Gift Aid reclaim		-	-	-	7,912
Foreign currency (losses)/gains		-	(16)	(16)	26
Total Income		-	160,141	160,141	125,965
Expenditure on:					
Charitable activities					
Relief of young people in South Africa who are in need – grants paid	9	-	-	-	(75,000)
Raising funds					
Fundraising and publicity			(29,274)	(29,274)	(4,308)
Costs of generating voluntary income	3	-	(48,605)	(48,605)	(56,400)
Support costs	4	-	(70,014)	(70,014)	(68,190)
Governance costs	4	-	(4,200)	(4,200)	(4,600)
Total Expenditure		-	(152,093)	(152,093)	(208,498)
Net income/(expenditure) for the year		-	8,048	8,048	(82,533)
Total funds brought forward		46,031	53,092	99,123	181,656
Total funds carried forward		46,031	61,140	107,171	99,123

All incoming resources and resources expended for the year relate to continuing operations of the Charity.

There are no recognised gains or losses other than as stated in the Statement of Financial Activities for the current or prior years. Accordingly, no separate statement of comprehensive income is given.

See note 11 for comparative Consolidated Statement of Financial Activities analysed by funds.

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BALANCE SHEET AS AT 31 MARCH 2019

	Notes	Restricted funds £	Unrestricted funds £	31 March 2019 £	31 March 2018 £
Current assets					
Cash at bank and in hand		46,031	65,840	111,871	102,923
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Creditors: amounts falling due within one year	7	-	(4,700)	(4,700)	(3,800)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net current assets, being net assets		46,031	61,140	107,171	99,123
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Funds					
Unrestricted funds	10	-	61,140	61,140	53,092
Restricted funds	10	46,031	-	46,031	46,031
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds		46,031	61,140	107,171	99,123
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of financial statements.

The financial statements of Nelson Mandela Children's Fund (UK), registered number 03207203 were approved by the Board of Trustees on 20 November 2019.

Signed on behalf of the Trustees on 25 November 2019.


Michael Solomon
Trustee

NELSON MANDELA CHILDREN'S FUND (UK)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

	31 March 2019 £	31 March 2018 £
Net cash inflow/(outflow) from operating activities	9,291	(80,944)
Financing activities		
Bank charges	(327)	(315)
Net increase/(decrease) in cash and cash equivalents	8,964	(81,259)
Cash and cash equivalents at beginning of the year	102,923	184,156
Foreign currency (losses)/gains on cash	(16)	26
Cash and cash equivalents at end of the year	111,871	102,923

Cash and cash equivalents comprise cash in bank and in hand.

RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

	31 March 2019 £	31 March 2018 £
Net income/(expenditure) for the year	8,048	(82,533)
Non-operating items:		
Bank charges	327	315
Foreign currency losses/(gains)	16	(26)
Increase in creditors	900	1,300
Net cash inflow/(outflow) from operating activities	9,291	(80,944)

NELSON MANDELA CHILDREN'S FUND (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

General information and basis of accounting

Nelson Mandela Children's Fund (UK) (the "Company") is a company incorporated in the United Kingdom under the Companies Act.

The Company is a private Company limited by guarantee and is registered in England. The address of the registered office is given on page 1.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2018) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

The Nelson Mandela Children's Fund (UK) meets the definition of a public benefit entity under the Charities Act 2011. The particular accounting policies adopted by the Trustees are described below. The financial statements have been prepared on the going concern basis.

The functional currency of Nelson Mandela Children's Fund (UK) is considered to be pounds sterling because that is the currency of the primary economic environment in which the Charity operates.

A separate Income and Expenditure Account has not been provided since the Statement of Financial Activities contains all the information that would otherwise be disclosed in such an Income and Expenditure Account.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The Trustees have considered the Charity's going concern position in light of its activities, together with the factors likely to affect its future development, performance and position which are discussed in the above sections of this report. Given the cash outflows in the form of grants are discretionary and the Charity has little overhead expenditure, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis has been used in preparing the annual report and financial statements.

NELSON MANDELA CHILDREN'S FUND (UK)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)**

1. Accounting policies (continued)

Incoming resources

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been complied with. Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to income:

Donations and fundraising income

Donations and all other receipts from fundraising activities are reported gross and the related fundraising costs are reported in other expenditure.

Gifts in kind, donated goods and facilities

Donated services and facilities are included at their estimated value and the corresponding expenditure included under the appropriate heading. All estimates of value of gifts are made by the Trustees.

Resources expended

Expenditure is included when it is incurred. The Charity's costs are allocated between fundraising and publicity, costs of generating voluntary income, support costs and governance costs.

Fundraising and publicity

Fundraising and publicity costs represent expenditure incurred on fundraising activities.

Costs of generating voluntary income

Costs of generating voluntary income include all costs incurred by the Charity in producing voluntary income.

Support costs

Support costs represent expenditure incurred in the management of the Charity's assets, organisational and administration requirements. Support costs are allocated based on staff time. As staff time spent on charitable activities and governance costs is negligible, all support costs are allocated to costs of generating funds.

Governance costs

Governance costs represent expenditure incurred in the preparation and examination of the statutory financial statements.

Direct charitable expenditure

Grants payable

Grants payable are accounted for when the Trustees have accepted a legal or moral obligation to make the grant.

NELSON MANDELA CHILDREN'S FUND (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

1. Accounting policies (continued)

Fund accounting

General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor, primarily for activities relating to the Nelson Mandela Children's Hospital project and are not permitted for use in financing working capital and capital investment.

Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Critical accounting judgements and key sources of estimation uncertainty

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

2. Donated services and facilities

	31 March 2019 £	31 March 2018 £
Salary paid	46,541	43,375
Facilities in lieu of rent and overhead charges	22,082	21,933
External accounting services	1,500	1,500
	<u>70,123</u>	<u>66,808</u>

The donated services and facilities have been recognised in line with the accounting policy on 'Gifts in kind' given above and are disclosed in line with Charities SORP FRS 102.

NELSON MANDELA CHILDREN'S FUND (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

2. Donated services and facilities (continued)

As disclosed in note 9, the salary payment and the provision of facilities is carried out by Maitland Advisory LLP, the legal advisers to the Charity.

3. Costs of generating voluntary income

	31 March 2019 £	31 March 2018 £
Costs of generating voluntary income comprise the following:		
Cost of administering fundraising	48,605	56,400

4. Support and governance costs

	31 March 2019 £	31 March 2018 £
Support costs comprises the following:		
Bank charges	327	315
Proportion of donated salaries attributable to management	46,541	43,375
Donated services and facilities	22,082	21,933
Sundry expenses	1,064	2,567
	<u>70,014</u>	<u>68,190</u>
Governance costs comprises the following:		
Independent examination fee	900	1,000
External accounting services	3,300	3,600
	<u>4,200</u>	<u>4,600</u>

Governance costs relate to the cost of external independent examination and external accounting services. The Charity's independent examiner charged £900 (2018: £1,000) and the Charity's external accountant has charged £1,800 (2018: £1,800). In accordance with the Charities SORP FRS 102, an estimate of the additional cost that would be chargeable at market value for Governance costs for external accounting services of £1,500 (2018: £1,500) have been recognised under voluntary income and resources expended in the Statement of Financial Activities with respect to these services (see note 2).

The external independent examination services are provided by M Ryan of Ark Accountancy.

A significant portion of the Charity's income from fund raising activities is not received for designated purposes. As such, there has been no apportionment of costs or support costs to restricted funds in the year (2018: £40, where the only costs categorised as restricted resources expended were those relating to the payment of grants and bank charges directly related to those grants).

NELSON MANDELA CHILDREN'S FUND (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5. Employees

There was one employee (2018: one employee) seconded to the Charity during the course of the year. Total wages and salaries for year ended 31 March 2019, including the amount related to fundraising for the Nelson Mandela Children's Hospital was £46,541 (2018: £43,375) of which £4,337 (2018: £4,024) was social security costs and £4,689 (2018: £4,372) was pension costs.

No employees received employee benefits of more than £60,000 for the year.

6. Trustees' remuneration

The Trustees received no remuneration during either the current or preceding year for either services performed, or expenses incurred in furtherance of these services.

7. Creditors: amounts falling due within one year

	31 March 2019 £	31 March 2018 £
Accruals	3,700	2,800
Payables	1,000	1,000
Total creditors	<u>4,700</u>	<u>3,800</u>

8. Taxation

As a registered Charity, Nelson Mandela Children's Fund (UK) is exempt from taxation of income and gains falling within Chapter 3 of Part 11 to the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent these are applied to its charitable objects. No tax charge has arisen in the year.

9. Transactions with connected persons

The Charity is an affiliate organisation of the Nelson Mandela Children's Fund. The objective of the Charity is to apply its funds and assets for the relief of young people in South Africa and to achieve this it supports the work of the Nelson Mandela Children's Fund. No grants were paid to connected persons during the year (2018: grants totalling £75,000 were made to Nelson Mandela Children's Fund).

A Trustee of the Charity, who is also its Company Secretary, is the Chairman of holding company of the Charity's legal advisors, Maitland Advisory LLP who also provides the Charity with office space and facilities and remunerates a portion of the Charity's staff costs. During the year Maitland Central Services Ltd. paid £46,541 of staff costs (2018: £43,375) and provided facilities estimated to be worth £22,082 (2018: £21,933). These donated amounts have been accounted for as Donated Services and Facilities in line with Charities SORP FRS 102 as disclosed in note 2.

Other than the transactions disclosed above, there were no related party transactions in the year.

NELSON MANDELA CHILDREN'S FUND (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

10. Analysis of charitable funds

	As at 31 March 2018 £	Incoming Resources £	Resources Expended £	As at 31 March 2019 £
Analysis of fund movements				
Restricted funds:				
Nelson Mandela Children's Hospital	10,308	-	-	10,308
Sustainable Livelihoods	32,000	-	-	32,000
Goelama	3,723	-	-	3,723
	<u>46,031</u>	<u>-</u>	<u>-</u>	<u>46,031</u>
Unrestricted funds	53,092	160,141	(152,093)	61,140
Total funds	<u>99,123</u>	<u>160,141</u>	<u>(152,093)</u>	<u>107,171</u>

The Nelson Mandela Children's Hospital fund was established to receive income restricted for the Nelson Mandela Children's Hospital, a project initiated by the Nelson Mandela Children's Fund in South Africa to establish a dedicated, specialist, referral and academic children's hospital in South Africa. As such, the fund is only available for grants made to the Nelson Mandela Children's Hospital Trust in South Africa.

Sustainable Livelihoods fund was established to receive restricted income for the Charity's Sustainable Livelihoods programme, a programme in South Africa which addresses poverty in isolated, rural communities. The programme works at strengthening communities and families who are facing extreme poverty.

The Goelama fund was established to receive restricted income for the Charity's Goelama programme, a programme that offers support to child headed households and children who are caring for sick parents as a result of the HIV and AIDS pandemic in South Africa.

The unrestricted funds are available to be spent for any of the purposes of the Charity.

NELSON MANDELA CHILDREN'S FUND (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

11. Comparative consolidated statement of financial activities

	Notes	Restricted funds £	Unrestricted Funds	31 March 2018 £
Income from:				
Donated services and facilities	2	-	66,808	66,808
Donations, legacies and similar incoming resources		5,000	14,701	19,701
Income from fundraising activities		-	31,518	31,518
Gift Aid reclaim		-	7,912	7,912
Foreign currency gains		-	26	26
Total Income		<u>5,000</u>	<u>120,965</u>	<u>125,965</u>
Expenditure on:				
Charitable activities				
Relief of young people in South Africa who are in need – grants paid	9	(35,000)	(40,000)	(75,000)
Raising funds				
Fundraising and publicity		-	(4,308)	(4,308)
Costs of generating voluntary income	3	-	(56,400)	(56,400)
Support costs	4	(40)	(68,150)	(68,190)
Governance costs	4	-	(4,600)	(4,600)
Total Expenditure		<u>(35,040)</u>	<u>(173,458)</u>	<u>(208,498)</u>
Net (expenditure) for the year		(30,040)	(52,493)	(82,533)
Total funds brought forward		76,071	105,585	181,656
Total funds carried forward		<u>46,031</u>	<u>53,092</u>	<u>99,123</u>

NELSON MANDELA CHILDREN'S FUND (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

12. Movements on funds

Year ended 31 March 2018 comparatives

	As at 31 March 2017 £	Incoming Resources £	Resources Expended £	As at 31 March 2018 £
Analysis of fund movements				
Restricted funds:				
Nelson Mandela Children's Hospital	40,348	5,000	(35,040)	10,308
Sustainable Livelihoods	32,000	-	-	32,000
Goelama	3,723	-	-	3,723
	<u>76,071</u>	<u>5,000</u>	<u>(35,040)</u>	<u>46,031</u>
Unrestricted funds	105,585	120,965	(173,458)	53,092
Total funds	<u>181,656</u>	<u>125,965</u>	<u>(208,498)</u>	<u>99,123</u>

13. Member's liability

The members of the Charity are Michael Solomon and Andrew Vergunst. Each member is, in terms of the memorandum of association, liable to contribute such amount as may be required (not exceeding £10) to the Charity's assets if it should be wound up while he is a member, or within one year after he ceases to be a member, for payment of the Charity's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves.