

Charity Registration No. 1082344

Company Registration No. 03918058 (England and Wales)

CHRISTEL HOUSE EUROPE
(A company limited by guarantee)

**TRUSTEES' ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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CHRISTEL HOUSE EUROPE

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2015

Trustees and Directors	Christel DeHaan Lord Anthony St John Mr Declan Kenny Mr Keith Whitesides Ms Diana Aitchison
Charity number	1082344
Company number	3918058
Registered office	Hayloft Cottage 15 Richardsons Lane Loddington Kettering Northamptonshire NN14 1LD
Reporting Accountants	Mayfield & Company 2 Merus Court Meridian Business Park Leicester LE19 1RJ
Bankers	Lloyds TSB Bank Plc 40 The Square Market Harborough Leicestershire LE16 7PE
Solicitors	Withers LLP 16 Old Bailey London EC4M 7EG
Company Secretary	Elizabeth Taylor

CHRISTEL HOUSE EUROPE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2015

The trustees, who are also the directors of the charity for the purpose of the Companies Act, submit their annual report and financial statements for the year ended 31 December 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

The trustees who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 28 January 2000, and registered as a charity on 8 September 2000. The company was established under a Memorandum of Association which established the objects and funds of the charitable company and is governed under its Articles of Association.

There are two categories of membership: 'A' members and 'B' members. The sole 'A' member is Christel House International Inc. The directors of the company who are also the charitable trustees for the purpose of charity law are 'B' members. In the event of the company being wound up each member's liability is limited to £1.

Appointment of Trustees

The trustees and the chairman are appointed at the Annual General meeting by the 'A' member, Christel House International Inc.

Related parties

The charity is associated with similar charities which operate under the Christel House name in the United States, Mexico, India, and South Africa.

The charity received funds from Christel House International Inc to cover the administrative expenses of the charity, so that 100% of the donated money in the UK will be used on direct charitable expenditure.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

CHRISTEL HOUSE EUROPE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

Objectives and activities

The objects of the charity are set out in the charity's trust deed and are summarised as follows:

To help impoverished children around the world break the cycle of poverty and become self-sufficient, contributing members of their societies by means of education, nutrition, health care, life skills development, character formation and community education programmes.

Christel House Schools do not house their students, they continue to live in their very modest homes, but Christel House provides free nutritious meals and free transport to and from the students' communities.

The children remain at school until graduation, normally at 18 years of age, when they either go on to higher education or transition into the workplace to become contributing members of their society. Students are further supported and mentored for up to 5 years post graduation by the College and Careers Program operated by each school.

There are now over 4,000 students supported by Christel House Learning Centres through out the world.

Achievements and Performance

When planning our activities for the year we considered the Charity Commission's guidance on public benefit. The focus of activities remains to raise funds to provide support to Christel House centres around the world as they work to transform the lives of impoverished children through a holistic programme of education and nurture while empowering their families and communities through outreach services.

Christel House Europe solicits and channels donations for the Christel House centres in India and South Africa. During the year Christel House Europe paid grants totalling £132,052 (2014: £197,092) to Christel House Schools in India, South Africa and Serbia.

100% of all donations go directly to the provision of programs that directly benefit the children. Christel House International Inc funds the entire administrative and overhead costs of running the Christel House Europe organisation.

For full details of the work at Christel House throughout the world visit www.christelhouse.org.

Financial Review

Review of activities

The surplus for the year amounted to £33,369 (2014: Deficit £17,941).

During the year the charity made grants of £45,148 to Christel House India, £85,526 to Christel House South Africa and £451 to Christel House Serbia.

CHRISTEL HOUSE EUROPE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

Financial Review (continued)

Review of activities (continued)

Through fundraising efforts, the charity will continue to support and provide funding to other Christel Houses notably in India and South Africa as well as, at the discretion of Christel House International Inc., to the Christel House Scholars' Program in Europe. For the avoidance of doubt Christel House Europe does not solicit third party donations for the Christel House Scholars' Program in Serbia. These donations are made by Christel House International and passed through Christel House Europe for ease of administration.

It is important to understand that third party funds donated through Christel House Europe are forwarded to Christel House India and Christel House South Africa in direct support of programs and services benefiting the children of Christel House. All fundraising, publicity, management and administrative costs incurred by Christel House Europe are funded by Christel House International Inc.

Reserves Policy

Christel House International Inc has undertaken to donate sufficient funds to the company to cover its administrative expenses. Accordingly, the trustees request funds when required.

Therefore, the trustees have decided that reserves can be maintained at a relatively low level, due to limited administrative costs incurred.

Investment policy

The trustees have considered the most appropriate policy for investing funds and believe that, with the current level of funds, it is appropriate to hold the money in bank accounts. However, as funds grow, alternative investments will be considered to ensure the best return is obtained whilst maintaining risk at a low level.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

CHRISTEL HOUSE EUROPE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

Statement of trustees' responsibilities

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on a going concern basis unless it is inappropriate that the company will continue in business.

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

This report was approved by the Board on 17 March 2016



K R Whitesides

CHRISTEL HOUSE EUROPE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHRISTEL HOUSE EUROPE

I report on the accounts for the year ended 31st December 2015 which are set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is required.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Act; and
- to state whether particular matters have come to our attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**David Mayfield
Mayfield & Company
Chartered Accountants
& Statutory Auditors
2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ
Dated:**

CHRISTEL HOUSE EUROPE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
<u>Incoming resources</u>					
Donations	2	68,973	92,071	161,044	186,865
Activities for generating funds	3	52,748	10,506	63,254	55,373
Interest	4	5	-	5	16
Total incoming resources		121,726	102,577	224,303	242,254
<u>Resources expended</u>					
<u>Cost of generating funds</u>					
Fundraising and publicity costs		42,707	-	42,707	42,588
		42,707	-	42,707	42,588
Net incoming resources available		79,019	102,577	181,596	199,665
<u>Charitable expenditure</u>					
Grants payable	5	54,053	77,999	132,052	197,092
Management and administration		16,174	-	16,174	20,515
		70,227	77,999	148,226	217,606
Total resources expended	6	112,935	77,999	190,934	260,195
Net (outgoing)/incoming resources before transfers		8,792	24,578	33,370	(17,941)
Transfers between funds		-	-	-	-
Net movement in funds		8,792	24,578	33,370	(17,941)
Fund balances at 1 January 2015		5,243	451	5,694	23,635
Fund balances at 31 December 2015		14,035	25,029	39,064	5,694

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHRISTEL HOUSE EUROPE

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Current assets					
Debtors	9	25,079		-	
Cash at bank and in hand		16,693		22,808	
		<u>41,772</u>		<u>22,808</u>	
Creditors: amounts falling due within one year	10	<u>(2,708)</u>		<u>(17,114)</u>	
Net current assets			<u>39,064</u>		<u>5,694</u>
Total assets less current liabilities			<u>39,064</u>		<u>5,694</u>
Funds and reserves					
Restricted funds	11	25,029		451	
Unrestricted funds		14,035		5,243	
		<u>39,064</u>		<u>5,694</u>	

The trustees are satisfied that the company was entitled to exemption under Section 477 of the Companies Act 2006 relating to small companies.

The trustees acknowledge their responsibilities for:

- i The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- ii The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities relating to small Companies.

The accounts were approved by the Board on 17 March 2016

K R Whitesides
Trustee



CHRISTEL HOUSE EUROPE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting Policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention.

The accounts have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

1.2 Incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable.

1.3 Resources expended

Costs of generating funds are those costs associated with the golf event which takes place annually to raise donations for the charity.

Grants payable are recognised in the period in which they are incurred.

Resources expended are recognised in the year in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

1.4 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with specific transactions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

When donor restrictions expire or a purpose restriction is fulfilled, restricted funds are reclassified to unrestricted funds and reported in the statement of financial activities as net funds released from restrictions.

CHRISTEL HOUSE EUROPE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

2 Donations

	2015 £	2014 £
Donations and gifts	<u>161,044</u>	<u>186,865</u>
Donations and gifts		
Unrestricted funds:		
Christel House International Inc	59,652	35,667
General donations	9,321	10,382
Restricted funds:		
India	14,548	7,865
South Africa	76,596	120,025
Serbia	-	12,926
Christel House Academy - Indianapolis	927	-
	<u>161,044</u>	<u>186,865</u>

3. Activities for generating funds

	2015 £	2014 £
Golf events	<u>63,254</u>	<u>55,373</u>

4. Interest

	2015 £	2014 £
Bank interest receivable	<u>5</u>	<u>16</u>

5. Grants payable

	2015 £	2014 £
Grants to institutions	<u>132,052</u>	<u>197,092</u>
Grants to institutions comprise:		
Donations to India	45,148	40,303
Donations to South Africa	85,526	144,314
Donations to Serbia	451	12,475
Christel House Academy - Indianapolis	927	-
	<u>132,052</u>	<u>197,092</u>

CHRISTEL HOUSE EUROPE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

6. Total resources expended

	Total 2015 £	Total 2014 £
Costs of generating funds:		
Fundraising and publicity	42,707	42,588
Charitable expenditure:		
Grants payable	132,052	197,092
Management and administration	16,174	20,515
	148,226	217,606
	190,934	260,195

Management and administration costs includes payments to the independent examiners of £1,980 (2014 - £2,340) for examination fees.

7. Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

8. Employees

There were no employees during the year.

9. Debtors

	2015 £	2014 £
Prepayments and other debtors	25,079	-
	25,079	-

10. Creditors

	2015 £	2014 £
Accruals and deferred income	2,708	17,114
	2,708	17,114

CHRISTEL HOUSE EUROPE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

11. 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:

	Balance at 1 January 2015	Incoming resources	Resources expended	Transfers	Balance at 31 December 2015
	£	£	£	£	£
South Africa		86,602	61,573	-	25,029
India	-	15,048	15,048	-	-
Serbia	451	-	451	-	-
CH Academy Indianapolis		927	927	-	-
	<u>451</u>	<u>102,577</u>	<u>77,999</u>	<u>-</u>	<u>25,029</u>

12. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2015 are represented by:			
Current assets	16,743	25,029	41,772
Creditors: amounts falling due within one year	(2,708)	-	(2,708)
	<u>14,035</u>	<u>25,029</u>	<u>39,064</u>

13. Related parties

Christel DeHaan is a member of the board of the following charities within the Christel House group: Christel House Europe, Christel House International Inc, Christel House India, Christel House Mexico, Christel House South Africa and Christel House Academy Inc.

Christel House International Inc. which is the 'A' member of the charity, agreed to cover all administrative expenses during the year. An amount of £59,962 (2014 - £35,667) was received during the year.

Grants of £85,526 (2014 - £144,314) have been incurred by Christel House Europe during the year in relation to Christel House South Africa.

Grants of £45,418 (2014 - £40,303) have been incurred by Christel House Europe in relation to Christel House India.

Grants of £451 (2014 - £12,475) have been incurred by Christel House Europe in relation to the Christel House Scholars' Program in Serbia.

Grants of £927 (2014 - £Nil) have been incurred by Christel House Europe in relation to the Christel House Academy in Indianapolis.