

Company no. 05839604
Charity no. 1119706

Globalteer
Report and Unaudited Financial
Statements
30 June 2019

FRIDAY



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Globalteer

Reference and administrative details

For the year ended 30 June 2019

Company number	05839604
Charity number	1119706
Registered office	Old Mill Cottage Mill Hill Stoke Gabriel Totnes Devon TQ9 6RD
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Kerry Milton Joanne Richmond Adam Stacey Sharon Tucker
Company secretary	Kathryn Mannering
General manager	Jim Elliott
Bankers	HSBC 2 North Walk Yate Bristol BS37 4AR
Independent examiners	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Globalteer

Report of the trustees

For the year ended 30 June 2019

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2015).

Objectives and activities

Our vision

A world where human and animal suffering are minimised, and the future of our planet is safeguarded by effectively harnessing the goodwill of people who share our vision.

The Globalteer mission

- To provide appropriate support to responsible and sustainable projects working in community development, wildlife rescue, and environmental conservation; and
- To raise awareness of the plight of the communities with whom we work and create lifelong ambassadors for the projects with which we work.

In order to make our mission and vision reality, Globalteer has two key charitable objectives which are:

- To promote sustainable development for the benefit of the public by the relief of poverty and the improvement of the conditions of life in socially disadvantaged communities. *Sustainable development* means "development which meets the needs of the present without compromising the ability of future generations to meet their own needs"; and
- To promote humane behaviour towards animals by providing appropriate care, protection, treatment and security for animals which are in need of attention by reason of sickness, maltreatment, poor circumstances or ill-usage, and to educate the public in matters pertaining to animal welfare in general and the prevention of cruelty and suffering among animals.

These objectives are achieved by supporting selected community, wildlife and conservation projects in Southeast Asia and Latin America, and through the management of community-based projects in Cambodia and Peru.

All of Globalteer's activities follow both the Charity Commission's general guidance on public benefit and their guidance on prevention and relief of poverty. The trustees also ensure that all activity we undertake is in line with our charitable aims and objectives.

In addition, Globalteer continually strives to take an ethical and responsible approach to everything we undertake, ensuring our activities are delivered without detriment to the communities we work with and in such a way that we make a positive contribution to local economies in the countries where we operate. To this end, where practical, we seek to source labour, materials and supplies locally in order to ensure that the benefits of our work are maximised.

This approach underpins local businesses, local employment prospects and the viability of the local community. Wherever we employ external staff and volunteers, we work alongside the local workforce and never instead of them, passing on relevant skills and expertise wherever possible.

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Report of the trustees

For the year ended 30 June 2019

Achievements and performance

Kids and community

Globalteer provided volunteers as well as financial support and other services to Community projects in Peru, Cambodia and Colombia, contributing to the work of projects focussing on lifting under-privileged and vulnerable communities out of poverty and providing them with a chance of a better long-term future. Globalteer volunteers mainly assist local staff in teaching English, arts and crafts, sports and other subjects where they are suitably qualified to work with project teams, as well as helping when appropriate with commercial, planning, domestic and maintenance tasks.

As well as working with individual volunteers, we once again welcomed several volunteer groups to our projects in Peru and Cambodia, including university and secondary school students from the UK, USA, and Canada. This has led to the forging of highly rewarding and mutually beneficial long-term relationships.

Globalteer's child protection policy was made freely available to all projects and NGOs that we work with to assist them in gaining an understanding of how to protect the children attending the projects. Adherence to an approved child protection policy is part of every formal partnership agreement that Globalteer undertakes. Compulsory background checks are implemented for all Globalteer volunteers working with children and for all Globalteer staff.

Cambodia

Globalteer is now in its seventh year of managing Helping Hands Cambodia, a non-governmental organisation that provides free complementary education, university scholarships, nutrition training and health care to seven rural communities outside Siem Reap.

In addition, the project supplies a nutritional breakfast to approximately 60 to 100 children each morning, aiding their physical development and helping concentration in class. As in previous years, state school uniforms were also provided to 300 children. These 300 children now benefit from the free supplementary education provided at the project's school.

We are happy to report that half-way through our financial year, Helping Hands Cambodia was successful in procuring an independent charity registration in Cambodia. It now operates independently of Globalteer and adheres to Cambodian charity law, although we still provide necessary support, funding, and volunteers. Our relationship will continue to be a close one, but the project's growth and eventual self-sustainability is our ultimate goal.

Globalteer continued providing volunteers and financial support to several other educational programmes and schools in Siem Reap, as well as an organisation which builds and installs water filters in communities in need, providing clean, safe drinking water to over 50 rural villages. We hope to grow these relationships further in the coming year and promote these partners and the wonderful work that they do.

We were very pleased to receive a significant grant to reinstate and expand our sports programme in Siem Reap. With these funds, we will be able to provide sports education to thousands of children who would otherwise have no access to sports training or facilities. As the programme grows, we will be managing a yearly tournament, a girls' empowerment programme, collaboration with rural schools to improve sport as part of children's education, and a "Sports for Social Impact" aspect, where children learn about social issues such as children's rights, gender equality and drug abuse in conjunction with sport.

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For the year ended 30 June 2019

We have also provided funding, in the form of an interest free loan that is repayable when profits are generated and is represented as a social investment in the financial statements, for the setup of a new social enterprise in Siem Reap, "The GlobalHub." This social enterprise functions as a café, which will promote the work of local NGOs in the area, including many of our partner projects and Helping Hands Cambodia school. Along with spreading the message of these organisations and helping to form new connections, profits from the café's operations will be used to support their efforts.

Peru

Globalteer continues to support Picaflor House, the Peruvian NGO we founded near Cusco in 2010. The project is a community development project in the mountain village of Oropesa. Approximately 80 of the village's children attend for additional education which aims to complement their state school studies and provides access to sports, arts and homework assistance. Many of the children's parents never completed primary or high school, and many have learned Spanish as a second language after their native Quechua, making it difficult to help their children with their school work. Picaflor House also offers classes in traditional music and dance, encouraging the children's understanding of and interest in their heritage.

Picaflor House also runs a nutritional programme, where children in attendance receive a free, nutritious lunch during the week, as well as a healthy snack, thanks to a generous donor.

As of the end of this year, thanks to another generous Globalteer donor, plans are in the works for building a new and ecological play park for the children of Picaflor House, providing a safe and fun area for creativity and play, which is important in any community.

Globalteer also works with a small community library in Cusco, which offers local children the chance to read, do their homework, and play games in a safe environment in an impoverished part of town. We provide fundraising assistance and administrative support.

All of our community partner efforts are run with local, Peruvian project management at the helm. Globalteer works alongside these employees to provide guidance and assistance where necessary.

Colombia

Globalteer continued working with two privately run, government-approved foundations in Medellin that provide residential and daycare to vulnerable children from broken homes and families displaced by Colombia's ongoing internal conflict.

Volunteers assist local staff in teaching English and other subjects to approximately 75 children as well as supervising games and organising fun activities and outings to parks, gardens, interactive museums, art galleries and the cinema with the project staff.

Wildlife and conservation

Globalteer provided volunteers and financial assistance to partner projects engaged in wildlife and animal rescue and conservation projects in Southeast Asia and Latin America.

Southeast Asia

In Southeast Asia, we continued to work with responsible elephant rescue projects, two in Thailand and one in Cambodia. In addition to our individual volunteers who worked at these elephant sanctuaries during the year, we also organised and sent a group of university students from the UK to our partner in northern Thailand, a venture which was beneficial for both parties.

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Report of the trustees

For the year ended 30 June 2019

Our wildlife rescue and rehabilitation partner projects are located in Thailand, Laos and Indonesia, as well as two marine conservation projects in Malaysia. We also continue to work with a sanctuary near the Cambodian capital, Phnom Penh, which specifically rescues Asian sun and moon bears.

This year we formed a new partnership with a project which aims to protect the sea turtle populations in Malaysia. Volunteers we send to this project will help collect data on the sea turtle population in the area with snorkel surveys and help conservation efforts locating turtle nests and relocating the nests to safe hatcheries to protect them from poachers.

Latin America

In Latin America, we partner with a project in Costa Rica working in sea turtle protection, a monkey sanctuary in Argentina and several projects in Peru: a wildlife rescue and rehabilitation centre in the Peruvian Amazon, a stray dog rescue in Cusco, a marine conservation project on the northern coast, and an Amazon Rainforest conservation and research project. We continued to provide volunteers and support to all of these partners throughout the year.

We also established a new partnership with a Peruvian horse rescue sanctuary near the city of Cusco. The project specifically works to rescue Peruvian Andes Highlander horses, which are at risk of dying out due to low popularity among horse owners and businesses. They are mostly slaughtered for meat or used in unfavourable working conditions. The project rehabilitates horses that have been abused or abandoned and works to re-educate locals about the value and ethical treatment of this type of horse.

Plans are in the works for the coming year to expand our dog rescue programme through a new Globalteer initiative. We are in the process of forming the Peru Animal Welfare Society (PAWS), where we will work to reduce animal suffering in the city of Cusco, where dog overpopulation is rampant. After procuring a mobile veterinary clinic, we will run campaigns to promote vaccination and sterilisation of rural dog populations, as well as educating locals on responsible pet ownership. We will be focusing on fundraising and procuring grants for this new initiative.

Worldwide

Across the world, we successfully placed approximately 295 volunteers across over 20 projects in 9 different countries.

Our volunteers came from 22 different countries, including the United Kingdom, Canada, United States, Australia, Denmark, Germany, Portugal, Sweden, New Zealand, Colombia, France, Switzerland, Belgium, Ireland, Czech Republic, Taiwan, Malaysia, Singapore, Italy, Luxembourg, Turkey and Norway. We estimate that they provided approximately 17,325 hours of volunteer support to our projects and partners.

Goals for the Coming Year

Globalteer has several goals for the coming 2019/20 financial year and new plans in progress:

Cambodia

- Promote the work of local NGOs through our sister social enterprise, The GlobalHub;
- Continue to develop our Sports Programme in Siem Reap, positively impacting thousands of children in rural areas;

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For the year ended 30 June 2019

- Develop a Child Protection Module at Helping Hands Cambodia School, to follow through with our responsibility and commitment to keep the children in our communities safe, educating the children within our reach about keeping themselves safe from harm when they are outside of the classroom and most vulnerable, with awareness of their cultural contexts; and
- Once the Child Protection Module is in place at Helping Hands, expanding its reach to other schools in our area, educating other teachers and communities, where such curriculum does not exist and is sorely needed to protect vulnerable children.

Peru

- Develop the Peru Animal Welfare Society (PAWS) and begin important work to address dog overpopulation and suffering in Cusco;
- Develop a Child Protection Module at Picaflor House, to follow through with our responsibility and commitment to keep the children in our communities safe, educating the children within our reach about keeping themselves safe from harm when they are outside of the classroom and most vulnerable, with awareness of their cultural contexts; and
- Once the Child Protection Module is in place at Picaflor House, expanding its reach to other schools in our area, where such curriculum does not exist and is sorely needed to protect vulnerable children.

Worldwide

- Increase the number of volunteers to all projects;
- Increase the number of groups volunteering at all projects;
- Seek new project partners to expand our network;
- Continue to develop our existing relationships with our project partners to further increase our effectiveness;
- Continue to improve our ethical volunteering credentials and further distinguish Globalteer from for-profit organisations and businesses offering "voluntourism"; and
- Focus on applying for grant funding to support our initiatives.

Financial review

The charity made a surplus of £57,758 (2018: deficit of £26,389) during the year but the charity's unrestricted reserves were £28,218 in deficit (2018: deficit of £44,689). The charity's restricted reserves were £41,287 (2018: nil) at the end of the year.

Globalteer has made significant strides in increasing donor income through new fundraising strategies. Utilising non-profit crowdfunding platforms for grassroots charitable projects has proven successful, and our most dedicated volunteers and supporters can now also fundraise on our behalf.

Globalteer continues to actively pursue grants to fund our operations, and we will be increasing our focus on this in the coming year. We are also beginning to emphasize and develop our Globalteer-run projects and initiatives, rather than focusing on volunteer placements. The idea of "volunteering abroad" has been declining in recent years, due to for-profit companies carrying out these activities in irresponsible ways; therefore, we are repositioning ourselves as an organisation that offers service learning and cultural exchange opportunities. This will attract more individuals who want to volunteer in an ethical way, with a responsible organisation like ourselves, increasing our overall income.

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Report of the trustees

For the year ended 30 June 2019

We are also carrying out a website re-design and new marketing strategies that will create clearer paths for donors and volunteers, resulting in more volunteer placements and donations. Furthermore, we have started a new intern/long-term volunteer programme which allows us to have more people helping us to raise funds and carry out our charitable activities without increasing salary costs. With these strategies in place, we expect our funds to increase in the coming year.

Globalteer management team and trustees will now take further steps to create reserves for the charity. This will include to closing of parts of the organisation that have become a financial burden to the overall charity. We will concentrate on the areas that continue to have a positive financial effect on the charity.

Reserves policy

The charity is actively increasing income, with the objective to steadily increase reserves to a level of three to six months expenditure for Globalteer's base operating costs, including staff costs, rent and office costs, accounting and banking costs, administration, support and governance. The target amount for this is £21,000 to £42,000.

Structure, governance and management

Governing document

The charity is a company limited by guarantee, as defined by the Companies Act 2006, which was incorporated on 7 June 2006 and registered as a charity on 18 June 2007.

Recruitment and appointment of new trustees

Trustee recruitment is advertised on the Globalteer website and at the project locations. The prospective trustee skills and motivation are assessed to ensure they are in line with Globalteer's requirements. All trustees are DBS (Disclosure and Barring Service) checked as the work carried out by Globalteer involves vulnerable children.

Induction and training of new trustees

New trustees will be inducted into the organisation by the general manager including access to all policies, governing documents, accounts and meeting minutes. Further relevant information such as the Charity Commission website and Companies House website shall also be supplied.

Related parties

None of the trustees has any beneficial interest in the charity. Our trustees are unpaid and details of trustee expenses and any related party transactions are disclosed in the notes to the accounts.

Risk management

Globalteer's administration, financial accounting and fundraising is managed from the UK by the board of trustees with the assistance of the general manager.

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.

The major risks to the charity are as follows:

- Currency falls and gains – the charity has maintained a buffer in the current exchange rates that are used, which prevents losses when there is a fall in the British pound; and

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Report of the trustees

For the year ended 30 June 2019

- Travel disruption – As most of our funds are conditional on people being able to travel overseas, any disruption in travel can have a major effect on the charity. It is considered that the disruption is likely to only be regional as a result of natural disaster or disease outbreak. As Globalteer operate in 9 different countries and two continents, marketing will be transferred to promote unaffected locations.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 of the income and expenditure of the charity for that period. In preparing those 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 accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 12 March 2020 and signed on their behalf by



Kerry Milton

Independent examiner's report

To the trustees of

Globalteer

I report to the trustees on my examination of the accounts of Globalteer (the charitable company) for the year ended 30 June 2019, which are set out on pages 11 to 25.

Responsibilities and basis of report

As the trustees of the charitable company (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').

Having satisfied myself that the accounts of the charitable 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 the charitable company'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

Since the charitable company'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 Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

Godfrey Wilson Limited also provided some bookkeeping support during the year to the charitable company. I confirm that as a member of the ICAEW I am subject to the FRC's Revised Ethical Standard 2016, which I have applied with respect to this engagement.

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 charitable 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 (FRS 102).

Attention is drawn to the fact that at 30 June 2019, the charity's unrestricted funds were in deficit by £28,218. Whilst this presents a material uncertainty in relation to the charity's ability to continue as a going concern, for the reasons set out in accounting policy 1(b), the trustees consider it appropriate to adopt the going concern basis for the preparation of these accounts.

Independent examiner's report

To the trustees of

Globalteer

In all other respects, 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.



Date: 12 March 2020

Rob Wilson FCA

Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

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Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 June 2019

	Note	Restricted £	Unrestricted £	2019 Total £	2018 Total £
Income from:					
Donations	3	46,637	60,398	107,035	32,239
Charitable activities	4	-	214,571	214,571	267,311
Other trading activities	5	-	742	742	23
Investments		-	-	-	1
Other income	6	-	12,713	12,713	-
Total income		<u>46,637</u>	<u>288,424</u>	<u>335,061</u>	<u>299,574</u>
Expenditure on:					
Raising funds		-	19,259	19,259	30,252
Charitable activities		<u>5,350</u>	<u>252,694</u>	<u>258,044</u>	<u>295,711</u>
Total expenditure	8	<u>5,350</u>	<u>271,953</u>	<u>277,303</u>	<u>325,963</u>
Net expenditure and net movement in funds	9	41,287	16,471	57,758	(26,389)
Reconciliation of funds:					
Total funds brought forward		-	(44,689)	(44,689)	(18,300)
Total funds carried forward		<u>41,287</u>	<u>(28,218)</u>	<u>13,069</u>	<u>(44,689)</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 21 to the accounts.

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Balance sheet

As at 30 June 2019

	Note	£	2019 £	2018 £
Fixed assets				
Tangible assets	14		532	-
Programme related investments	15		<u>13,738</u>	<u>-</u>
			14,270	-
Current assets				
Debtors	16	31,249		14,190
Cash at bank and in hand		<u>65,443</u>		<u>27,848</u>
		96,692		42,038
Liabilities				
Creditors: amounts falling due within 1 year	17	<u>(97,230)</u>		<u>(79,224)</u>
Total assets less current liabilities			(538)	(37,186)
Creditors: amounts falling due after more than 1 year	18		<u>(663)</u>	<u>(7,503)</u>
Net assets / (liabilities)	20		<u>13,069</u>	<u>(44,689)</u>
Funds	21			
Restricted funds			41,287	-
Unrestricted funds:				
General funds			<u>(28,218)</u>	<u>(44,689)</u>
Total charity funds			<u>13,069</u>	<u>(44,689)</u>

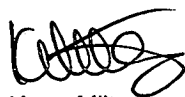
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 12 March 2020 and signed on their behalf by



Kerry Milton

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Globalteer meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees have considered with respect to the negative unrestricted funds at the end of the period. The trustees consider this conclusion appropriate with regard to the further changes made after the year end to cut costs and increase income. This has been done by moving some paid staff to internships, and continued work to concentrate on the more financially positive parts of the organisation.

c) Conduit funding

The charity does not include income and expenditure in the SOFA for project partners for whom they act as agent by collecting donations and passing them on. The amount of such income and expenditure for the year ended 30 June 2019 was £64,102 (2018 - £86,072).

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of volunteer placements is deferred until criteria for income recognition are met.

e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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Notes to the financial statements

For the year ended 30 June 2019

1. Accounting policies (continued)

e) Donated services and facilities (continued)

Globalteer benefitted from the use of Google AdWords services for free during the year. However as Globalteer would have been unwilling to pay for these services, this has been excluded from the gifts in kind recognised in the accounts.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

g) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

h) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, being staff time spent on each activity:

	2019	2018
Raising funds	4.0%	10.0%
Charitable activities - kids and community	71.0%	68.0%
Charitable activities - wildlife and conservation	25.0%	22.0%

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Motor vehicles	3 years
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Items of equipment are capitalised where the purchase price exceeds £500.

Notes to the financial statements

For the year ended 30 June 2019

1. Accounting policies (continued)

k) Social investments

Social investments are concessionary programme related loans made to partners that directly further the charitable purposes of the charity. The loans are recognised at the amount paid, less cumulative repayments. They are reviewed annually for impairment.

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

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.

n) Creditors

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.

o) Financial instruments

The charitable company 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 with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

p) Pension costs

The company operates a defined contribution pension scheme for the general manager. There are no further liabilities other than that already recognised in the SOFA.

q) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

Globalteer

Notes to the financial statements

For the year ended 30 June 2019

2. Prior period comparatives

	Restricted £	Unrestricted £	2018 Total £
Income from:			
Donations	-	32,239	32,239
Charitable activities	-	267,311	267,311
Other trading activities	-	23	23
Investments	-	1	1
Total income	-	299,574	299,574
Expenditure on:			
Raising funds	-	30,252	30,252
Charitable activities	3,232	292,479	295,711
Total expenditure	3,232	322,731	325,963
Net expenditure and net movement in funds	(3,232)	(23,157)	(26,389)

3. Income from donations

	Restricted £	Unrestricted £	2019 Total £	2018 Total £
Donations	-	52,421	52,421	32,239
Gifts in kind	-	3,477	3,477	-
Grants	46,637	4,500	51,137	-
Total income from donations	46,637	60,398	107,035	32,239

In 2018 all income from donations was unrestricted.

Gifts in kind received during the year relate to the provision of office space by the GlobalHub social enterprise in Cambodia.

4. Income from charitable activities

	Restricted £	Unrestricted £	2019 Total £	2018 Total £
Volunteering income	-	214,571	214,571	267,311

In 2018 all income from charitable activities was unrestricted.

Globalteer**Notes to the financial statements****For the year ended 30 June 2019****5. Income from other trading activities**

	Restricted £	Unrestricted £	2019 Total £	2018 Total £
Language classes	-	657	657	23
Merchandise	-	85	85	-
	-	742	742	23

In 2018 all income from other trading activities was unrestricted.

6. Other income

	Restricted £	Unrestricted £	2019 Total £	2018 Total £
Picaflor House - admin recharge	-	5,977	5,977	-
Picaflor House - other income	-	6,736	6,736	-
	-	12,713	12,713	-

7. Government grants

The charitable company receives no government grants.

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Notes to the financial statements

For the year ended 30 June 2019

8. Total expenditure

	Raising funds £	Charitable activities - kids and community £	Charitable activities - wildlife and conservation £	Support and governance costs £	2019 Total £
Accountancy	-	-	-	3,721	3,721
Advertising	14,082	-	-	-	14,082
Bank charges	-	68	37	11,120	11,225
Employee costs	-	3,163	223	2,123	5,509
Foreign exchange (gains) / losses	-	18,105	(5,439)	(9,906)	2,760
Fundraising	1,178	-	-	-	1,178
Grants and donations (note 10)	-	30,569	85,606	1,677	117,852
Interest	-	-	-	3,963	3,963
Medical costs	-	99	-	157	256
Office costs	-	365	-	3,868	4,233
Project expenses	-	3,004	-	358	3,362
Premises, repairs, maintenance and other	-	3,365	-	18,295	21,660
Scholarship	-	1,493	-	-	1,493
Staff costs (note 12)	2,251	34,322	11,253	8,440	56,266
Volunteer costs	-	21,134	8,740	(131)	29,743
Sub-total	17,511	115,687	100,420	43,685	277,303
Allocation of support and governance costs	1,748	31,016	10,921	(43,685)	-
Total expenditure	19,259	146,703	111,341	-	277,303

Total governance costs were £2,400 (2018: £2,553).

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Notes to the financial statements

For the year ended 30 June 2019

8. Total expenditure (continued)

Prior period comparative	Raising funds £	Charitable activities - kids and community £	Charitable activities - wildlife and conservation £	Support and governance costs £	2018 Total £
Accountancy	-	-	-	3,226	3,226
Advertising	15,901	-	-	-	15,901
Bank charges	-	242	-	10,213	10,455
Employee costs	-	2,941	190	2,538	5,669
Foreign exchange (gains) / losses	-	(5,816)	1,269	11,811	7,264
Grants and donations (note 10)	-	24,203	87,769	2,485	114,457
Interest	-	-	-	4,826	4,826
Medical costs	-	2,657	-	952	3,609
Office costs	-	706	8	3,491	4,205
Project expenses	-	9,021	-	9	9,030
Premises, repairs, maintenance and other	-	2,312	-	14,149	16,461
Scholarship	-	2,196	-	-	2,196
Staff costs (note 12)	2,972	12,833	1,486	60,070	77,361
Volunteer costs	-	47,626	3,653	24	51,303
Sub-total	18,873	98,921	94,375	113,794	325,963
Allocation of support and governance costs	11,379	77,379	25,036	(113,794)	-
Total expenditure	30,252	176,300	119,411	-	325,963

Globalteer**Notes to the financial statements****For the year ended 30 June 2019****9. Net movement in funds**

This is stated after charging:

	2019 £	2018 £
Operating lease payments	3,594	7,890
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Independent examiners' remuneration	<u>2,400</u>	<u>2,553</u>

10. Grants payable

Total grants paid to institutions during the year were as follows:

	2019 £	2018 £
Asociacion de Voluntarios para el Servicio en Areas Protegidas	-	13,937
ASVO	10,274	-
Crees Manu	2,993	7,126
Elephant Livelihood Initiative Environment	10,140	9,335
Elephant Valley Thailand	7,871	15,912
Helping Hands Cambodia	12,479	-
ONG Amazon Shelter	12,753	11,820
Picaflor House	3,660	7,145
The Global Hub	12,529	16,563
The Tropical Research and Conservation Centre	7,452	7,988
Wildlife Friends Foundation Thailand	22,125	20,351
Other (<£5k)	<u>15,576</u>	<u>4,280</u>
	<u>117,852</u>	<u>114,457</u>

11. Grant commitments

	2019 £
Grants payable to institutions:	
Grant commitments brought forward	18,530
Grants committed during the period	117,852
Grants paid during the period	<u>(104,388)</u>
Grant commitments carried forward (note 17)	<u>31,994</u>

Data for the prior period comparative figure was not available.

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Notes to the financial statements

For the year ended 30 June 2019

12. Staff costs and numbers

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	54,946	74,594
Social security costs	-	1,894
Pension costs	1,320	873
	<u>56,266</u>	<u>77,361</u>

No employee earned more than £60,000 during the year.

The total employee benefits of the key management personnel were £3,760 (2018: £10,575).

	2019 No.	2018 No.
Raising funds	1.0	1.0
Charitable activities	11.0	18.0
Support and governance	2.0	2.0
Average head count	<u>14.0</u>	<u>21.0</u>

13. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

14. Tangible fixed assets

	Total £
Cost	
At 1 July 2018	-
Additions in year	<u>532</u>
At 30 June 2019	<u>532</u>
Depreciation	
At 1 July 2018	-
Charge for the year	<u>-</u>
At 30 June 2019	<u>-</u>
Net book value	
At 30 June 2019	<u>532</u>
At 30 June 2018	<u>-</u>

Globalteer**Notes to the financial statements****For the year ended 30 June 2019****15. Programme related investments**

	2019 £	2018 £
<i>Loans to partners:</i>		
GlobalHub	<u>13,738</u>	<u>-</u>

Programme related investments consist of the loan made to GlobalHub, a partner organisation, to fund charitable activities. No interest is charged on the loan and the loan is repayable in less than one year.

16. Debtors

	2019 £	2018 £
Trade debtors	10,989	4,314
Prepayments	2,330	4,491
Accrued income	16,135	3,590
Other debtors	<u>1,795</u>	<u>1,795</u>
	<u>31,249</u>	<u>14,190</u>

17. Creditors : amounts due within 1 year

	2019 £	2018 £
Loans	7,269	6,044
Trade creditors	564	7,208
Grants payable	31,994	18,530
Conduit funding	32,245	24,652
Credit cards	11,261	11,153
Accruals	2,400	2,280
Deferred income (note 19)	<u>11,497</u>	<u>9,357</u>
	<u>97,230</u>	<u>79,224</u>

Conduit funding was included in grants payable in 2017/18 but has been split out in these accounts for greater transparency. This does not impact the overall figures.

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Notes to the financial statements

For the year ended 30 June 2019

18. Creditors : amounts due in more than 1 year

	2019 £	2018 £
Loans	<u>663</u>	<u>7,503</u>

A 3 year unsecured loan was received from Caja Cusco in 2017/18. The total loan made was 75,000 Peruvian Sol at an effective annual interest rate of 22.42%. Capital and interest repayments are made monthly. The loan is fully repayable by July 2020.

19. Deferred income

	2019 £	2018 £
At 1 July	9,357	-
Deferred during the year	11,497	9,357
Released during the year	<u>(9,357)</u>	<u>-</u>
At 30 June	<u>11,497</u>	<u>9,357</u>

Deferred income relates to volunteer fee income received in advance.

20. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	532	532
Programme related investments	-	13,738	13,738
Current assets	41,287	55,405	96,692
Current liabilities	-	(97,230)	(97,230)
Non-current liabilities	-	<u>(663)</u>	<u>(663)</u>
Net assets at 30 June 2019	<u>41,287</u>	<u>(28,218)</u>	<u>13,069</u>

Prior year comparative

	Restricted £	Unrestricted £	Total funds £
Current assets	-	42,038	42,038
Current liabilities	-	(79,224)	(79,224)
Non-current liabilities	-	<u>(7,503)</u>	<u>(7,503)</u>
Net assets at 30 June 2018	<u>-</u>	<u>(44,689)</u>	<u>(44,689)</u>

Notes to the financial statements

For the year ended 30 June 2019

21. Movements in funds

	At 1 July 2018 £	Income £	Expenditure £	At 30 June 2019 £
Restricted funds				
Cambodia sport programme	-	46,637	(5,350)	41,287
Total restricted funds	-	46,637	(5,350)	41,287
Unrestricted funds				
General funds	(44,689)	288,424	(271,953)	(28,218)
Total unrestricted funds	(44,689)	288,424	(271,953)	(28,218)
Total funds	(44,689)	335,061	(277,303)	13,069

Purposes of restricted funds

Cambodia sport programme

The aim of the Sports Programme is to provide disadvantaged and underprivileged children in rural areas of Seam Reap, Cambodia with access to multiple sports with a focus on football and volleyball. This will be done through sports sessions at local NGOs, schools and organised sports festivals for boys and girls, among other aspects.

	At 1 July 2017 £	Income £	Expenditure £	At 30 June 2018 £
Prior year comparative				
Restricted funds				
Cambodia school fund	3,232	-	(3,232)	-
Total restricted funds	3,232	-	(3,232)	-
Unrestricted funds				
General funds	(21,532)	299,574	(322,731)	(44,689)
Total unrestricted funds	(21,532)	299,574	(322,731)	(44,689)
Total funds	(18,300)	299,574	(325,963)	(44,689)

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Notes to the financial statements

For the year ended 30 June 2019

22. Financial instruments

	2019 £	2018 £
Financial assets measured at amortised cost	108,633	37,547
Financial liabilities measured at amortised cost	<u>(86,397)</u>	<u>(77,370)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, accrued income, other debtors and programme related investments.

Financial liabilities measured at amortised cost comprise credit cards, aged creditors, accruals, loans payable and grants payable.

23. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2019 £	2018 £
Amount falling due:		
Within 1 year	2,096	3,461
Within 1 - 5 years	<u>-</u>	<u>2,019</u>
	<u>2,096</u>	<u>5,480</u>

24. Related party transactions

There were no related transactions during the year.