**Registered Charity Number 1106601**

Report of the Trustees and

Unaudited Financial Statements

 for the Year Ended March 31st 2016 for

Chilli Children of Rukungiri (Uganda)

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Charity Name:**

Chilli Children Trust.

**Registered Charity Number**

1106601

**Principal Address**

84 Stonegate, Spalding, Lincolnshire, PE11 2PH

**Trustees**

Mr Paul Wilson Chair and Trustee

Mr Ian Thorn Founder Member and Trustee

Mrs Bron Kucharski Treasurer and Trustee (resigned December 5th 2015)

Mr Brian Fleming Trustee

Miss Emily Braybrook Trustee

Mr Miles Green Treasurer and Trustee (from December 5th 2015)

**Independent Examiner**

Mr P Lawrence

15 Westmoreland Road

Moulton

Spalding

Lincs.

PE12 6PU

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Context:**

The trust’s primary aim is to provide funding for the North Kigezi Diocese Grower’s, Orphan’s and Disabled Children Project. The diocese is part of the Church of Uganda, (Anglican). The project is often referred to as the “Chilli Children Project” as one way it achieves its objective’s is by encouraging families of disadvantaged children in the locality to grow chillies as cash crop to provide income to pay for education and health care. The Chilli Children Trust, (UK Charity), is a wholly separate entity from the “Project”.

**The Trust:**

The Trust currently has 5 trustees. The Trust is a Christian charity and each trustee is required to be a practising Christian. 3 of these were recruited during 2015 -16, (see above). One trustee currently supports the Project in Uganda but is not a part of the Project team. The others are geographically located around the UK. It is the aim of the Trust to recruit possibly 2 – 3 more in the next year. The trustees meet face to face quarterly and communicate regularly by email. At each trustees meeting a primary decision is taken how much funding should be sent to the Project. Other Trust issues are also discussed and decisions taken but the funding matters always take precedence.

**Recruitment and Training:**

The Trust has a written policy for the recruitment of new trustees. In summary,any trustee can suggest a new trustee to current trustees. The potential trustee is then discussed at the next trustees meeting and if agreement is reached, the potential is informally interviewed by one of the Trust. A report is then presented to the remaining trustees for consideration and is further consensus is reached the person is then invited to a trustees meeting where an informed discussion and exchange of views takes place between all parties. At a separate meeting (possibly on the same day if appropriate), a decision is reached whether to invite the person to join the Trust. By this stage it is normally apparent if the person is / is not suitable and would accept the role of trustee is offered. If the person has accepted the role they are then formally invited to a Special Meeting of Trustees which would immediately precede the next Trustees meeting at which they would formally welcomed to the Trust and the statutory record of trustees would be amended accordingly. Prior to appointment trustees are sent full details of the Trust and Charity Commission guidance on trustees’ roles and responsibilities.

**Governing Document:**

The Trust Deed was set on 4th September 2004. A Supplementary Deed was also set up on 12th March 2011. Both these documents are held at Trusts registered office. These documents outline fully the trust’s objectives which are reported on below.

**FINANCIAL REVIEW**

**Funding**

The charity’s primary source of funding is from church groups and individuals who are often active / practising Christians. Around one third of income arises from Standing Orders and the trust would wish to increase this percentage year on year to provide a more stable basis to income. The Trust were pleased that the amount sent to the Project increased over the year. In June and September the Trust gave approx. 13k whilst in December and March this increased to £15.6k and £15k.

In December the Trust also purchased a Toyota Land Cruiser ambulance for the project for £28k to replace an ageing unreliable and not cost effective vehicle. Funds had been ear marked for this purchase over a number of years.

In March the Trustees decided that as a policy they would no longer hold funds in reserve for specific projects (earmarked funds). It had been found that over recent years the Trust had been precluded from using resources in a flexible and dynamic manner by these restraints. The trust would however fund wherever any such projects from general funds.

The trustees receive a report each quarter from the Project with information regarding how the monies have been spent over the quarter.

**Reserves Policy**

Currently the charity has no reserve funds due to fund raising challenges. The Trust did however write and agree a policy on 16th March 2013 stating that the Trust would aim to hold between £0.00 - £5000.00 in reserve. The Trust will consider whether this is sufficient and may review this in the forthcoming year with a view to increasing the intended reserve to the amount we normally we send to the project each quarter. (Approx. £14k-£15k dependent on exchange rate). The trustees are hopeful that during the forthcoming financial year progress may be made in this respect.

**Public Benefit Statement:**

The Trust confirms that trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

**ACHIEVEMENT AND PERFORMANCE**

Trust Objectives and Aims

1. The relief of those in need, by reason of ill health, sickness, disability, financial hardship or other disadvantage, in particular but not exclusively by the provision of support for the North Kigezi Diocese Grower's, Orphan's and Disabled Children Project, Rukungiri, Uganda.

2. The advancement of both education and religion, in particular among the beneficiaries of the charity and their families/communities, by such means as the trustees shall from time to time determine.

The Trust has delivered the above objectives by ensuring that all monies sent are used by the Project in the following activities.

Performance:

* **Chilli Growing for Income**

 There are approximately two thousand (2000) families currently benefiting from the Chilli Growing Program.

 Last season families in the Project harvested approximately 3300kgs, worth UGX (Uganda shilling) 36,000,000. From of this harvest, each farmer received UGX 7000 per kilogram.

 Income from chilli growing is used mainly for school fees, scholastic materials, uniforms, transport to the project office for medical and surgical review, physiotherapy and club foot treatment along with other necessities like blankets, clothing and shoes.

* **Surgery**

 A child referred for surgery through the Project will have been identified in any of the following ways:

 The Project conducting field surveys deep into rural areas.

 Some families with disabled children are informed by Church Leaders or County Officers about the Project.

 Other families refer themselves to the Project office after hearing about the Project’s announcements on the local radio.

 Some one hundred and twenty (120) children have benefited from surgery during the current year as detailed below.

* CoRSU Hospital, Kampala – (Orthopedic) - 65 operations.
* Kisiizi Hospital – (Plastic surgery and orthopedic) - 32 operations
* CURE Hospital, Kampala – (Neurosurgery) – 14 operations
* Mbarara University Hospital – (Spinal deformities) 8 operations.
* **Medical Outreach and Life Skills**

 The Project cares for families where circumstances are such that travel to the Project base in Rukungiri is either difficult or impossible.

 Outreach clinics are held in eight locations throughout rural areas and these are to provide occupational therapy and support and encouragement for children and families. Cerebral palsy, spina bifida, mental ill health and malnourishment are among some of the conditions our team frequently encounter.

 One hundred and forty two (142) families have attended Occupational Therapy Clinics during the current year.

 Forty eight (48) children have benefited from the Projects club foot clinics.

* **Education**

 At Kyitazigurukwa School for children with special needs we can report that two new staff house have been constructed. Foundations for a new dormitory block have been laid and a new food store and a sanitary pit completed.

 Currently nineteen (19) pupils are enjoying the special needs unit and eight (8) children attend the slow learners’ classes.

 Project team member Kanyonyozi David teaches signing to six (6) deaf children and their families.

 At Nyakibale School there we have around thirty nine (39) deaf and profoundly deaf children receiving education as boarders.

*This report is approved and issued by the board of trustees on xx September 2016 and is signed on their behalf by:*

Mr P Wilson – Chair of Trustees

**Independent Examiner’s Report to the Trustees of**

**Chilli Children of Rukungiri (Uganda)**

I report on the accounts for the year ending March 31st 2016 set out on pages x to x

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act

- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5) (b) of the 2011 Act); and

- to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with the 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 statements 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 130 of the 2011 Act; and

- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts

Mr Phil Lawrence

15 Westmoreland Road

Moulton

Spalding

Lincs.

PE12 6PU

Signed: Date:

**STATEMENT OF FINANCIAL ACTIVITIES**

Year ended March 31st 2016

 31.03.16 31.03.15

 Unrestricted Ambulance Total Total

 Fund Fund Funds Funds

 Notes £ £ £ £

**INCOMING RESOURCES**

**From general funds**

Voluntary income 61,760 0 61,760 74,268

Investment income 2 - - - -

**Total incoming resources 61,760 0 61,760 74,268**

**RESOURCES EXPENDED**

**Charitable activities**

Uganda grant payments 56,466 - 56,466 58,122

Ambulance - 27,469 27,469 -

**Other resources expended** 1,959 - 1,959 928

**Total resources expended 58,425 27,469 85,894 59,050**

**NET INCOMING RESOURCES** 3,335 0 3,335 15218

**Total funds brought forward** 10,969 8,259 19,228 32070

**TOTAL FUNDS CARRIED FORWARD 14304 8259 22563 47288**

**CONTINUING OPERATIONS**

All incoming resources and resources expended arise from continuing activities

**Balance Sheet as at March 31st 2016**

 31.03.16 31.03.15

 Unrestricted Ambulance Total Total

 Funds Funds Funds Funds

 Notes £ £ £ £

**CURRENT ASSETS**

Cash at bank 14,304 8259 22563 47288

**NET CURRENT ASSETS 14304 8259 22563 47288**

**ASSETS LESS CURRENT**

**LIABILITIES 14304 8259 22563 47288**

**NET ASSETS 14304 8259 22563 47288**

**FUNDS** 4

Unrestricted 14304 15414

Ambulance 8259 31874

**TOTAL FUNDS 22563 47288**

The financial statements were approved by the board of trustees on xx September 2016 and signed on its behalf by:

Mr P Wilson

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared using a receipts and payments basis.

**Accounting convention**

The financial statements have been prepared under the historical cost convention, the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

**Financial reporting standard number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the charity qualifies as a small charity.

**Incoming resources**

Incoming resources are included on the Statement of Financial Activities when the charity actually receives the income.

**Resources expended**

Expenditure is accounted for when it is actually paid and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds (the Ambulance fund) can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The donor has agreed to remove this restriction at the request of the board of trustees hence it is no longer classed as a restricted fund as has been the tradition in previous accounts.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**2. INVESTMENT INCOME**

Investment income for this and the preceding period was below £1.

**3. TRUSTEES’ RENUMERATION AND BENEFITS**

There was no trustee remuneration or other benefits for the year ended March 31st 2016.

**Trustees’ expenses**

Trustee’s expenses of £838.59 were incurred and reimbursed during the year ended March 31st 2016.

**4. MOVEMENT IN FUNDS**

 Net movements

 As at 01.04.2015 in funds as at 31.03.16

 £ £ £

**Unrestricted funds**

General funds 15414 (1,110) 14304

**Restricted funds**

Ambulance fund 31874 (23,615) 8259

**TOTAL FUNDS 47288 (24, 7250) 22563**

Net movements in funds, included in the above are as follows:

 Incoming Resources Movement

 Resources expended in funds

 £ £ £

**Unrestricted funds**

General funds 61,760 (56,466) 5,294

**Restricted funds**

Ambulance fund (27,469) (27,469)

**TOTAL FUNDS 61760 (83,935) (22,175)**

31.03.15 31.03.16

**INCOMING RESOURCES**

**Voluntary income**

Donation 74,268 61,760

**Investment Income**

Deposit account interest - -

**Total incoming resources 74,268 61,760**

**RESOURCES EXPENDED**

**Charitable activities**

Grants to institutions 58,122 56,466

Ambulance purchase - 27,469

**Support Costs**

**Management** - -

Telephone - -

Advertising - -

Bank Charges 700 100

Travel 226 839

Bank Interest 2 -

**Total 928 939**

**Total resources expended 59,040 84,874**

This page does not form part of the statutory financial statement