



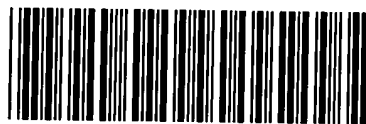
Freedom Matters

(a company limited by guarantee)

Report and Financial Statements
For the Year Ended 31st July 2016

Charity Number: 1148388
Company Number: 08161221

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Reference and Administrative Information

Charity Name Freedom Matters

Charity Registration No 1148388

Company Registration No 08161221

Directors/Trustees

Mrs Sarah Stacpoole (Chairman)

Mr Peter Hardy

Mrs Jan Turner

Major Prem Ale (appointed 27th July 2015)

Mr Tim Lewis (resigned 26th September 2015, re-appointed 8th December 2015)

Mr Douglas MacLagan (resigned 12th June 2016)

Major (retd) Tristan Forster (resigned 1st September 2015)

CEO

Lt Col (retd) Philip Holmes (post made redundant in 2015)

Helen Harper became the UK Manager from January 2016 and Company Secretary in March 2016 (part time and interim)

Country Representative Nepal

Mr Madan Raj Joshi (resigned with effect from August 2016)

Registered Address

C/O Mr P J Hardy Bryanston School Bryanston Blandford Forum Dorset DT11 0PX

Telephone: 01258 484684 **E-mail:** pjh@bryanston.co.uk **Website:** www.freedommatters.org.uk

Independent examiners

Hughes Waddell, The White House, 2 Meadow, Godalming, Surrey GU7 3HN

Bankers

CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Statement of Chair of Trustees

The fourth year of operation of Freedom Matters has been one of huge change which can be summarised as a year of consolidation of activities and greater cost efficiency. The Board's decisions have ensured that the charity has 'put its house in order' and is now better equipped to impact positively on the lives of future generations of young people in Nepal whilst reducing the proportion of funds spent in the UK.

Our Founder and CEO Philip Holmes moved on to establish his third charity working with children in Nepal and his full time post at Freedom Matters was made redundant. Most of his responsibilities were taken on by Helen Harper in a new part time and interim role as UK Manager, in January 2016.

Our partner organisation Kopila Nepal has withdrawn from our joint project to deliver Child Trauma Services in Kathmandu valley (Lalitpur). This, combined with a number of challenges facing us in the ongoing operation of this project, in particular the lack of a local experienced partner to deliver it in a financially viable way, led to the early closure of the project, in August 2016. We remain proud that this project in a short time has had a beneficial impact on the lives of many children, especially those tragically affected by the 2015 earthquakes.

The Board of Trustees, following sound advice, decided against the completion of our registration in Nepal to become a full international NGO and Freedom Matters withdrew from this process. This, and the closure of the Kopila Nepal project, reduced our need for an office in Nepal and both our wonderful staff members Madan Joshi and Binita Poudel are taking up new opportunities within Nepal. We are immensely grateful to them for their hard work and loyalty. The reduction in staff hours both in UK and Nepal has made us much more cost effective than previously and this will become increasingly obvious as we move into our new financial year.

Our partner organisation Right4Children has continued its committed work with Nepal's children and young people. The two projects that we support both involve construction work and these have been a challenge this reporting year. We commend our partners for their hard work in battling the bureaucracy and dealing with the rapidly rising costs they face with both projects. In particular the ambitious project to reconstruct Marpak in Dhading after the earthquake has involved lengthy and difficult negotiations with the National Reconstruction Authority in Nepal, long and tortuous journeys into the mountains on tracks impassable for much of the year, and barely so for the rest of it, and politically charged local negotiations. We trust that next year will see their hard work rewarded as schools and a community centre start to be built in Marpak and the Training and Community Centre in Pokhara heads further towards completion of its core buildings and the start of training.

The Board of Trustees knows that small charities like ours need to keep changing to keep effective and relevant in a rapidly changing world and we have no doubt that in a year's time we will have further significant changes to report.

We remain inspired by both the young people in Nepal and the young people in this country who do so much to support them, and we will seek to strengthen these connections between young people.



Sarah Stacpoole
Chair of Freedom Matters

Report of the Trustees

Introduction

The Trustees present their Annual Report and the Financial Statements of Freedom Matters for the period ended 31st July 2016. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Freedom Matters is a charitable company limited by guarantee, incorporated on 30th July 2012 and registered as a charity with The Charity Commission on 31st July 2012. The company was established under a Memorandum of Association which established its objects and powers and is governed under its Articles of Association.

History of Freedom Matters

Freedom Matters was registered at the initiative of Tristan Forster and Philip Holmes, both of whom had a long-standing interest in the welfare of the children and young people of Nepal and shared a passion for working against child trafficking, exploitation and abuse. Tristan had been an officer in the Brigade of Gurkhas and the Founder (now the Chairman) of FSI Worldwide, a company that specialises in providing ethical manpower from Nepal for overseas employment. Philip had founded The Esther Benjamins Trust (EBT) in 1999, a charity providing residential care facilities for vulnerable Nepalese children. From 2004 to 2012 he lived and worked for his charity in Nepal, then returned to live in the UK on 1 July 2012 and on the same date left EBT to set up Freedom Matters and became its CEO. Freedom Matters has been led by a capable Board of Trustees, which took the decision to continue the charity without a CEO from January 2016.

Structure and Governance

Patron

Freedom Matters was delighted when the popular British actress, writer and campaigner Miss Joanna Lumley OBE agreed to become the charity's Patron. Joanna was born in Kashmir to parents who had both spent their lives in India, her father having been an officer in the Gurkhas. The welfare of the people of Nepal, and particularly its children, is a concern she shares with Freedom Matters.

Trustees

There were six Trustees during the reporting period:

- **Mrs Sarah Stacpoole:** Sarah is a Head of Department and teacher at the prestigious Bryanston School in Dorset. She has a wealth of experience within the charitable sector and of working in Nepal. She has been in charge of school charities for many years and, through the pupils, has raised over £500,000, mainly for NGOs in developing countries dealing with issues relating to children, health and education. Her prime interest is Nepal which she has visited many times and she speaks some Nepali.
- **Mr Peter Hardy:** Peter is Second Master (Deputy Head) of Bryanston School. As such, he is responsible for pastoral care and also serves as the school's Designated Safeguarding Lead (formerly referred to as Child Protection Officer). As a teacher of Economics, he has also written a book on the macroeconomies of the 1980s. Peter has served as a Magistrate in Dorset for fifteen years. He has led school trips and has travelled extensively in Nepal in a private capacity.
- **Mr Douglas Maclagan:** Douglas Maclagan has lived and worked within the development sector in Nepal for the past 20 years. He has the breadth of experience of the needs and expectations of overseas charities juxtaposed with the challenges of implementing grassroots projects. Douglas founded registered UK charity

Child Welfare Scheme (since re-titled Kidasha) in 1995 and is a Board Member of Child Welfare Scheme Hong Kong. In January 2013 he registered Right4Children (R4C) as a Nepali NGO based near his home in Pokhara and this is now a partner organisation of Freedom Matters. Douglas is invaluable in providing on the ground support and monitoring. Douglas resigned from the Board with effect from 12th June 2016 due to potential conflicts of interest, but continues to raise funds and give advice and support to the charity.

- **Mrs Jan Turner:** After qualifying in general and paediatric nursing, with a Diploma in Tropical Medicine, Jan worked delivering medical care in the developing world for 10 years. She has experience in International Development from front-line delivery in conflict situations to developing and evaluating long-term health care programmes and has previously served as a Trustee for two health charities, Health Unlimited (now called Health Poverty Action) and Kidasha. Prior to her retirement in 2015 Jan had been a teacher in a primary school in Kent.
- **Mr Tim Lewis:** Tim and his wife Maggie had been supporters of Philip and the work he has been doing in Nepal since meeting him in Hong Kong in 2000. At the time, Tim was a partner with KPMG Hong Kong, having arrived there in 1981 after qualifying as a chartered accountant in its London office in 1979. He retired in 2001, after 15 years as a partner in the Hong Kong firm, and returned to the UK. Since then, he has undertaken four treks in Nepal and India to raise funds for Freedom Matters and the Esther Benjamins Trust, and has become involved with various charitable or non-profit making bodies in a financial capacity or as a trustee.
- **Major (Retired) Prem Ale:** Prem is a retired Gurkha officer of the British Army. A keen supporter of Freedom Matters, he has also worked extensively with a number of charities such as the Gurkha Welfare Trust, Royal Signals' Benevolent Fund, Hopad and Maiti Nepal. His heart is in Nepal and with his fellow countrymen. He holds a BSc (Hon) in Politics and International Relations and an MSc in International Security. Prem's interests include Nepali and South Asian politics and as such he is currently pursuing a PhD at Oxford Brookes University. He has travelled extensively during his military career and has gained ample experience and knowledge in national defence and security subjects.

Tristan Forster, one of our original Founders, resigned as a Trustee on 1st September 2015 and we thank him for his contribution to the charity

The Trustees have been recruited through personal knowledge of one or more pre-existing Trustees or the previous CEO. Upon joining the Board, new Trustees are provided with information on the charity's history and plans, the role and responsibilities of Trustees, the governing document, key policies and the minutes of recent Board meetings. Trustee meetings are held at least quarterly.

Staff and volunteers

Philip Holmes was the CEO until his role was made redundant at the end of 2015. Helen Harper joined in the role of UK Manager (part time and interim) in January 2016.

Helen Harper has over 20 years of experience working for UK charities. She has worked in international development focusing on children and young people for much of this time and has been closely involved with work in Nepal, having worked on behalf of Child Welfare Scheme (now Kidasha) and the Esther Benjamins Trust (now Child Rescue Nepal). Her skills lie primarily in fundraising and programme development as well as financial management.

Mr Madan Joshi was the Country Representative for Nepal, based in Kathmandu, throughout this reporting period but he resigned with effect from August 2016 to become an NGO consultant in Nepal. He continues to provide help and support to Freedom Matters within Nepal. Ms Reeti Sharma supported Madan as a temporary Programme Officer until September 2015 and was replaced by Binita Poudel who moved to a new role with the International Red Cross in March 2016. We are grateful to them all for their skills, immense loyalty and hard work on behalf of the charity.

The charity's registered office is now at Bryanston School, Blandford Forum in Dorset.

We are immensely grateful for the work of these volunteers in 2015-2016.

- *Ms Penny MacKay:* A former accountant with KPMG and until recently the Bursar at King's School Chester, Penny continued as the volunteer accountant for Freedom Matters in this reporting year.
- *Mrs Beatrice Sheldrick:* Beatrice is a freelance graphic designer and web developer. Although living in Australia, Beatrice continued to provide website support to the site that she designed herself throughout this reporting year.
- Mr Douglas MacLagan (see above) has continued as a volunteer for Freedom Matters following his resignation as a Trustee. We are grateful for his continued encouragement, support and wisdom.

The charity's network

Nepal partners

Under Nepalese law Freedom Matters must implement its projects through Nepalese NGOs. Freedom Matters has worked with two project partners this year, Right4Children (R4C) and Kopila Nepal. R4C is currently working on earthquake relief and reconstruction and is establishing a training/community centre in Pokhara. Kopila Nepal implemented our Kathmandu Child Trauma Management Service (KCTMS) project which ended in August 2016.

International partners

Freedom Matters has received grants from a number of grant-making Trusts and Foundations during this reporting period and there have been close working links with Child Welfare Scheme Hong Kong and ONGD-FNEL (Luxembourg-based Scouts and Guides Association).

Objects of the charity

Freedom Matters' Objects as per the Articles of Association are:

The rescue and relief of anyone who may have been victim to human trafficking or exploitation in particular but not exclusively by:

- *The provision of welfare support for example financial, medical or legal*
- *Support to the rehabilitation and reintegration of survivors with their families and communities*
- *Support of education and training into employment and/or independent living*
- *The advancement for public benefit of trafficking and exploitation awareness*
- *Trafficking prevention in at risk communities*
- *Such charitable purposes for the public benefit as are exclusively charitable to the laws of England and Wales as the Directors may from time to time determine*

These have been distilled into the following new Mission Statement in 2015-2016 as we move our focus to prevention of child exploitation and trafficking:

Freedom Matters works with local organisations in Nepal to fight for the rights of each child, in particular the rights to a family and community life free from abuse, the worst forms of child labour and trafficking.

Although Freedom Matters can work in any part of the world, its project work is essentially focussed upon Nepal.

Our objects and mission statement will be reviewed in 2016-2017.

Project areas

1. Kathmandu Child Trauma Management Services in partnership with Kopila Nepal

FM entered into a partnership agreement with Kopila Nepal to implement this project in March 2015. Hatemalo-Germany was also a partner of this project. The project was designed around four areas of intervention (i) Provision of therapeutic and psychological counselling services to traumatized children particularly child labourers, trafficking survivors, abused children and children in institutions/orphanages (ii) Capacity building of staff and stakeholders (iii) Establishing referral systems (iv) Awareness raising and behavioural change communication.

Although it was designed for 3 years up to February 2017, the project ended prematurely after Kopila Nepal withdrew from the project with effect from 16 August 2016. The reasons for their decision can be summarised as a lack of capacity of all the partners to support a technically difficult project in Kathmandu Valley, especially from remote bases in UK, Germany and Pokhara. The Trustees decided to close the project due to a number of challenges facing us in its ongoing operation, in particular the lack of a local experienced partner to deliver it in a financially viable way.

Trustees would like to extend their gratitude to the staff of Kopila Nepal who worked hard to make this challenging project successful and to Andrew Clarke for volunteering his time to provide outstanding technical support to those staff, whenever the opportunity arose.

Despite the number of challenges encountered by the project itself such as the 2015 earthquake and the long blockade in the southern part of Nepal imposed by India, the following are the key results delivered

- a) Establishment of a Child Trauma Management Service (CTMS) in Lalitpur with appropriate tools and equipment, operational protocols and guidelines in place
- b) Altogether 218 psychologically traumatized children and adolescents (104 girls and 114 boys) have benefitted from counselling and quality therapeutic services. All the case records of the services were maintained in the standard forms and format and data was entered electronically in the prescribed database system. Difficulties were identified in defining trauma and measuring levels of trauma which were unresolved at the project's end of first year evaluation by a Trustee of Freedom Matters.
- c) Altogether 106 families of traumatized children received psychological counselling and therapeutic services in order to facilitate their reunification and retention within their families.
- d) Altogether 109 teachers and social workers (82 female 27 male) received training on trauma diagnosis to facilitate referral of the clients. Training participants included social workers, school teachers and professionals working in child protection agencies, orphanages and schools within the network of the project. Through such training, participants were enabled to identify children facing psychological trauma and in need of psychosocial counselling and the importance of providing them with additional support.
- e) Referral systems and operational networks were established among 21 agencies (government and non-governmental) through agreements and networking in order to receive cases of psychologically traumatized children.
- f) The project team reached 1259 people and undertook awareness campaigns through interpersonal interaction in schools and communities.

The Trustees of Freedom Matters regret the early closure of this project whilst acknowledging its many achievements in a short space of time, and in particular its contribution to helping many children affected by the 2015 earthquakes.

2. Community Re-building & Reconstruction Project in Marpak VDC, Dhading with Right4Children (R4C)

Two devastating major earthquakes struck Nepal on 25th April and 12th May 2015. According to government data, a total of 505,745 houses were completely destroyed and 279,330 partially damaged. The total number of fatalities reached 8,702 with over 23,000 people injured. Our generous donors gave Freedom Matters a considerable sum to use to benefit earthquake affected communities in Nepal. We provided emergency relief to over 13,000 people in some of the most affected communities of 3 districts namely Sindhupalchok, Dolakha and Dhading districts.

Our partner R4C in Nepal then negotiated with the Government of Nepal to undertake reconstruction work of schools and homes and they were allocated the Marpak area of Dhading – a remote hill community cut off by road for much of the year by the monsoon rains. Almost all of the villages in the area had been completely destroyed, including all the schools. Freedom Matters agreed to contribute US \$300,000 to a consortium project to rebuild schools and homes over the next few years, alongside partners in Hong Kong and Luxembourg. We continue to work towards raising our total contribution.

There followed a long delay due to bureaucracy at Government level in particular with the NRA or National Reconstruction Authority, combined with a shortage of building materials in Nepal, so during this reporting year little progress has been possible. Our efforts are likely to focus in future on rebuilding schools and a community development centre, as the Government will provide assistance for local people to rebuild their homes. However due to rising costs of building materials and changes to school specifications our existing budget will remain.

In March 2016 Helen Harper and Jan Turner accompanied staff and volunteers of R4C to visit several communities in Marpak where a commitment has been made to rebuild schools and provide community development activities. They attended several consultation meetings with groups of local people and school committees and witnessed the great need of the area for school and community reconstruction.

3. Construction of a Training and Community Development Centre in Pokhara with Right4Children(R4C)



March 2016

During 2015-2016 our partner R4C completed the purchase of the land for this project and the design of the complex of buildings, which have been approved by the municipality. The building work will be in two stages and the first stage was started early in 2016. The initial buildings will allow a vocational training centre to open to provide high quality training in skills for the hospitality industry. The students will be both fee paying and

those who are vulnerable and receiving free places. A community centre will also operate from the site to provide a number of services to the local community, especially the young people.

The centre will become self sufficient through the use of a unique model where commercial enterprise partnerships increasingly support the costs of community development and free training for the most needy. The second stage of building will provide accommodation for students and facilities to help the centre generate income eg from event catering.

This project is supported by Freedom Matters, FNEL (Luxembourg), Movenpick and Himalayan Pavilions Hotels and GATE training.

In March 2016 Jan Turner and Helen Harper, on behalf of the Board of Trustees, visited the site and observed the progress of the construction works and attended meetings with local communities. A community needs assessment has taken place to identify the training and development needs of the local people and these will be a key part of the activities of the centre.

Public benefit

The Trustees have due regard to the Charity Commission guidance on public benefit and during 2015-16 the public benefit of the various activities could be summarised as follows:

- Kathmandu Child Trauma Management Service
– support services provided to 792 beneficiaries (over 15 months)
- Preparation for Earthquake Reconstruction in Marpak (Schools and Community Centre)
- Construction of a Training and Community Centre in Pokhara
- Awareness raising among the British public, especially young people, about the lives of children and young people in Nepal and how they can influence positive changes to their lives

Financial Review

Freedom Matters ends the year in a relatively strong financial position. The Trustees have considered the risks to which Freedom Matters may be exposed and have taken steps this year to manage risks, especially financial risks. Income was, as expected, considerably reduced from the previous year during which the earthquakes in Nepal generated exceptionally high levels of donation. Expenditure was also much lower due to several factors. Firstly we cut down expenditure on staffing costs with the redundancy this year of the CEO post. Several previously supported projects came to an end so we were able to limit the number of projects supported over the course of the year to two continuing projects, both operated in partnership with R4C in Nepal. This reduced our need for an office base in Nepal, which was closed at the year end. The cost cutting exercise we have undertaken will make us even more cost effective in 2016-2017. Our restricted reserves at the year end are largely for earthquake reconstruction work (£180,730 school rebuilding) in Marpak and we anticipate that much of this restricted reserve will be spent in the coming year as building work gets underway in Nepal.

Reserves policy

Our unrestricted reserves at year end are slightly increased on the previous year, which is particularly welcome. However, due to the dramatic reductions we have made to our operating costs, this now represents an achievement of the Trustees' objective, for our fourth year of operation, to hold unrestricted funds equating to over six months of operating costs.

Conclusion

In conclusion this has been a very difficult but successful year for Freedom Matters as it moves away from the leadership of its Founder and makes many fundamental changes to the way it operates. The Trustees believe that we are now a more cost effective and efficient charity, spending proportionately more of our funds on changing young lives in Nepal and less on our own staff and associated costs.

This year has set the scene for the Trustees to consider further positive changes to the charity in 2016-2017.

Statement of the Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

The Trustees (who are also Directors of Freedom Matters for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

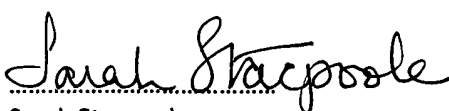
Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of Freedom Matters and of the excess of expenditure over income for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Freedom Matters will continue in business.

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

This report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

Approved by the Trustees on 8th April 2017 and signed on their behalf by:



Sarah Stacpoole
Chairman of the Trustees and Directors

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FREEDOM MATTERS

I report on the accounts of the company for the year ended 31 July 2016 which are set out on pages 13 to 21

Respective responsibilities of trustees and examiner

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

Having satisfied myself that the charity is not subject to 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 2011 Act; and
- state whether particular matters have come to my attention.

Basis of 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 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.

.....*Alison Daniels*.....
Alison Daniels FCA
Hughes Waddell
Chartered Accountants
The White House
2 Meadrow
Godalming
Surrey GU7 3HN

Date: 11-4-17

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary Income	2	24,677	98,486	123,163	462,530
Investment Income		464	-	464	83
		<u>25,141</u>	<u>98,486</u>	<u>123,627</u>	<u>462,613</u>
Incoming resources from charitable activities		-	-	-	-
TOTAL INCOMING RESOURCES		<u>25,141</u>	<u>98,486</u>	<u>123,627</u>	<u>462,613</u>
RESOURCES EXPENDED					
Cost of generating funds					
Cost of generating voluntary income	4	14,148	-	14,148	31,907
		<u>14,148</u>	<u>-</u>	<u>14,148</u>	<u>31,907</u>
Cost of charitable activities					
Project costs	4	-	125,542	125,542	205,347
Governance	5	9,027	-	9,027	2,381
TOTAL RESOURCES EXPENDED		<u>23,175</u>	<u>125,542</u>	<u>148,717</u>	<u>239,635</u>
NET INCOMING RESOURCES/RESOURCES EXPENDED		1,966	(27,056)	(25,090)	222,978
Transfer between Funds		(1,161)	1,161	-	-
NET MOVEMENT IN FUNDS		<u>805</u>	<u>(25,895)</u>	<u>(25,090)</u>	<u>222,978</u>
Fund balances at 01 August 15	8	31,089	206,625	237,714	14,736
FUND BALANCES AT 31 JULY 16	8	<u>31,894</u>	<u>180,730</u>	<u>212,624</u>	<u>237,714</u>

The notes on pages 15-21 form part of these financial statements

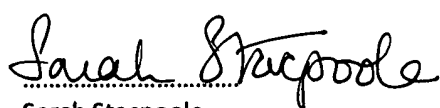
BALANCE SHEET AS AT 31 JULY 2016
(Company registration no. 08161221)

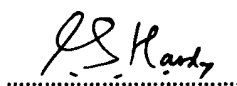
	Notes	2016 £	2016 £	2015 £	2015 £
CURRENT ASSETS					
Debtors	6	15,400		1,425	
Cash at Bank		<u>198,936</u>		<u>238,363</u>	
		214,336		239,788	
CREDITORS: Amounts falling due within one year					
	7	<u>(1,712)</u>		<u>(2,074)</u>	
NET CURRENT ASSETS			212,624		237,714
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>212,624</u>		<u>237,714</u>
FUNDS OF THE CHARITY					
Unrestricted Funds	8		31,894		31,089
Restricted Funds	8		<u>180,730</u>		<u>206,625</u>
TOTAL FUNDS	8		<u>212,624</u>		<u>237,714</u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and the Financial Reporting Standards 102.

- i. The company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to smaller companies; and
- ii. The trustees acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts were approved by the board on 8th April 2017 and signed on their behalf by:


 Sarah Stacpoole


 Peter Hardy

The notes on pages 15-21 form part of these financial statements

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016

1. Accounting Policies

Freedom Matters is a company limited by guarantee registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The company number and address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are included in the Report of the Trustees on page 4.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is a small charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 10.

1.1 Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

1.2 Incoming Resources

Grants and donations are included in the SOFA when the charity has unconditional entitlement to the resources.

Incoming resources from tax reclaims are included at the same time as the gift to which they relate.

Investment income is included in the accounts when receivable.

Incoming resources from charitable activities is only included in the SOFA in the period in which it is earned.

1.3 Resources Expended

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Governance costs comprise the examiner's fee and professional costs associated with the running of the charity.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016 (CONT.)**1.4 Tangible Fixed Assets**

These are capitalised if they can be used for more than one year, and cost more than £500. They are valued at cost or a reasonable value on receipt.

1.5 Accumulated Funds

Restricted funds are subject to specific conditions by donors on how they may be used; the purposes and uses of the restricted funds are set out in the notes to the accounts.

1.6 Taxation

The charity is not liable to taxation on the revenue from its primary activities or on its investment income as it is a registered charity.

1.7 Termination Payments

The Charity complies with statutory legislation regarding termination payments.

2. Analysis of Incoming Resources

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Donations and Grants				
Orphan Business (Rescue Agency)	-	-	-	7,924
Kathmandu Child Trauma Management	-	33,005	33,005	46,840
Earthquake Relief	-	46,891	46,891	288,020
Jewellery and Mosaic Project	-	-	-	1,629
Freedom Matters Nepal	-	-	-	3,477
General	24,677	-	24,677	91,253
General (correction to 2014-15 Notes)	-	-	-	2,350
Happy Home Child Support	-	-	-	(1,995)
FAB School	-	18,590	18,590	18,994
Other Projects	-	-	-	4,038
Total Voluntary Income	24,677	98,486	123,163	462,613

3. Employee and Consultancy Costs**Employee Costs**

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Gross wages/salaries	9,902	27,085	36,987	45,747
National Insurance	893	667	1,560	771
Correction to 2014-2015 Notes	-	-	-	2,350
Total	10,795	27,752	38,547	48,871

No employee earned over £60,000 during this year.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016 (CONT.)**Consultancy Costs**

A consultant was paid a fee of £16,472 for the period, of which £3,058 was for Governance support (included in Professional Fees in Note 5), £2,543 for Fundraising (in Note 4 below) and £10,871 for Project costs.

Employee costs of £27,752 (2015: £23,729) relating to salary costs in UK and Nepal, and the £10,871 of consultancy costs (above) are included under restricted funds (below) attributed directly to total project costs of £125,542 (2015 £205,347) [see note 4].

Number of employees

The average number of employees during the period was:

	Total 2016 Number	Total 2015 Number
	<u>1.9</u>	<u>2</u>

4. Analysis of Resources Expended

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Costs of Generating Funds				
Staff Costs	10,795	-	10,795	22,792
Consultancy costs	2,543	-	-	-
Travel & Subsistence	562	-	1,065	4,206
IT	166	-	166	968
Administration & Equipment	82	-	1,582	1,591
Staff Costs (Correction to 2014-15 Notes)	-	-	-	2,350
Total	<u>14,148</u>	<u>-</u>	<u>14,148</u>	<u>31,907</u>
Project Costs				
Orphan Business (Rescue Agency)	-	2,267	2,267	18,649
Kathmandu Child Trauma Management	-	62,421	62,421	24,660
Earthquake Relief	-	18,855	18,855	136,375
Jewellery and Mosaic Project	-	615	615	1,014
Freedom Matters Nepal	-	-	-	8,993
Circus Kathmandu	-	-	-	6,166
Happy Home Child Support Project	-	(45)	(45)	1,250
College Fees	-	1,161	1,161	-
FAB School	-	37,584	37,584	-
Other Projects	-	2,684	2,684	8,240
Total	<u>-</u>	<u>125,542</u>	<u>125,542</u>	<u>205,347</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016 (CONT.)**5. Governance Costs**

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Independent Examiner's Fee	865	-	865	840
Other Professional Costs	3,693	-	3,693	1,503
Redundancy Costs	4,443	-	4,443	-
Bank Costs	26	-	26	38
Total	9,027	-	9,027	2,381

6. Debtors

	2016 £	2015 £
Sundry Debtors and accrued income	15,400	1,425
Total	15,400	1,425

7. Creditors**Amounts falling due within
one year**

	2016 £	2015 £
Other creditors and accruals	1,712	2,074
Total	1,712	2,074

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016 (CONT.)**8. Movement of Funds**

	Fund balances b/f £	Incoming resources £	Resources expended £	Transfers £	Fund balances c/f £
Restricted Funds					
Orphan Business (Rescue Agency)	2,267	-	(2,267)	-	-
Kathmandu Child Trauma Management Service	30,465	33,005	(62,421)	-	1,049
Earthquake Relief	151,645	46,891	(18,855)	-	179,681
Jewellery and Mosaic Project	615	-	(615)	-	-
Happy Home Child Support	(45)	-	45	-	-
College Fees	-	-	(1,161)	1,161	-
FAB School	18,994	18,590	(37,584)	-	-
Other Projects	2,684	-	(2,684)	-	-
Total Restricted Funds	206,625	98,486	(125,542)	1,161	180,730
Unrestricted Funds					
General	31,089	25,141	(23,175)	(1,161)	31,894

Fund Name	Purpose
Kathmandu Child Trauma Management Service	<i>Funds for the operation of a psychosocial support service for children who have been traumatised for a range of reasons</i>
Earthquake Relief	<i>Funds to be used for the relief and reconstruction of communities affected by the earthquakes of April and May 2015</i>

8.1 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Debtors	-	15,400	15,400	1,425
Cash at bank	32,759	166,177	198,936	238,363
Creditors	(865)	(847)	(1,712)	(2,074)
Total Net Assets	31,894	180,730	212,624	237,714

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016 (CONT.)**9. Trustee Remuneration and Expenses**

No remuneration was paid directly or indirectly out of the funds of the charity to any Trustee.

Two trustees have received reimbursement of expenses to the sum of £1,780 in respect of the period.

Related Parties: There were no transactions with related parties in 2015 or 2016.

10. Transition to FRS 102**Reconciliation of funds****At 1 August 2014 (Date of transition to FRS 102)**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102
Unrestricted funds	(7,784)	-	(7,784)
Restricted funds	<u>22,520</u>	<u>-</u>	<u>22,520</u>
	<u>14,736</u>	<u>-</u>	<u>14,736</u>

Reconciliation of funds**At 31 July 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102
Unrestricted funds	31,089	-	31,089
Restricted funds	<u>206,625</u>	<u>-</u>	<u>206,625</u>
	<u>237,714</u>	<u>-</u>	<u>237,714</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016 (CONT.)**Reconciliation of Income
For the year ended 31 July 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102
INCOMING RESOURCES			
Voluntary Income	462,530	-	462,530
Investment income	83	-	83
TOTAL	462,613	-	462,613
RESOURCES EXPENDED			
Cost of generating voluntary income	31,907	-	31,907
Cost of charitable activities	207,728	-	207,728
TOTAL	239,635	-	239,635
NET INCOME/(EXPENDITURE)	222,978	-	222,978