



KALAYAAN

justice for migrant domestic workers

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2008

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

CONTENTS	Page
Charity Information	3
Report of the Management Committee	4
Auditor's Report	9
Statement of Financial Activities	10
Balance Sheet	12
Notes to the Accounts	13

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

ORGANISATION INFORMATION

MANAGEMENT COMMITTEE MEMBERS

David Ould (Chair) / (Treasurer)
Virgie Canada,
Myriam Cherti
Natasha David (Secretary)
Rickey Denton
Margaret Healey
Beth Herzfeld
Poonam Joshi
Emma Newcombe
Viviane Noutai
Mahani Rajak
Mara Stankovitch
Melanie Vilano
Rachel Witkin
Padma Devla

STAFF

Rita Gava
Camilla Brown, replaced by Jenny Moss
Kate Roberts
Lourdes Gordolan

REGISTERED OFFICE

St. Francis Centre
13 Hippodrome Place
London W11 4SF

ACCOUNTANT

C SMART (FCCA)
6 Royal Crescents
Newbury Park
Ilford Essex IG2 7NH

BANKER

Bank of Ireland
20 Berkeley Square
London W1J 6LL

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

REPORT OF THE MANAGEMENT COMMITTEE MEMBERS

The Management Committee present their report and financial statements for the year ended 31 March 2008.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Kalayaan is a registered charity. Its main business is carried out from its offices in London. Day to day management is the duty of the Co-ordinator appointed by the charity trustees and the trustees of the charity exercise overall control.

The organisation's structure, governance and management are set out in the Constitution. The objects are:

To advance education and relieve poverty, particularly by:

- a. The provision of legal and other advice.
 - b. The relief of unemployment for the public benefit amongst people who are unemployed.
- To advance education for the public benefit.
 - To promote health for the benefit of the public.
 - To improve the conditions of life by the provision of recreational facilities in the interests of social welfare to those current and former migrant domestic workers who have the need of such facilities by reason of their social and economic circumstances.

Members of the Management Committee are appointed by the AGM. Membership is open to all those interested in supporting the work of the organisation and up to 25% of the Committee is reserved for current or former migrant domestic workers.

Principal Activities

During the last financial year Kalayaan provided the following services for migrant domestic workers:

- The centre open for advice and support at accessible times.
- Immigration advice from qualified staff.
- Employment advice, with particular reference to rights at work.
- Access to job opportunities.
- Emergency support for those running away from abusive employers.
- ESOL and literacy classes for some 200 students.
- Regular free legal surgeries with qualified solicitors.
- Advice and assistance on health issues.
- Raising public awareness about the issues facing migrant domestic workers in the UK.
- Informing the Home Office and related agencies about the real problems facing migrant domestic workers and the likely impact of new policies, particularly the proposed new immigration rules.

The demand for Kalayaan services continued to be strong and around 2,000 people from at least 19 countries were provided with advice during the year. Long hours, wages below the national minimum wage, illegal retention of passports and verbal and physical abuse continue to be regularly reported by those accessing Kalayaan's services.

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

REPORT OF THE MANAGEMENT COMMITTEE (CONTINUED)

Staff and volunteers supported workers in contacts with the police and embassies in order to regularise their status in this country, to regain their passports and to take action against abusive employers. Good contacts were continued with various specialist police bodies dealing with issues of equality, immigration and trafficking in people. These helped to inform the police about the special issues affecting migrant domestic workers. Continuing public concern about the trafficking of people for exploitation in the UK provided additional opportunities to raise awareness of the plight of many migrant domestic workers in the UK.

During the year the Government continued consultations on the proposed new rules for those entering the UK to work which would have meant that MDWs from outside the European Union would have their rights to work and live in the UK severely reduced. Kalayaan continued its campaign to draw attention to the consequences these changes would have on MDWs, particularly the danger that they would force more people into the hands of traffickers and increase the level of exploitation, and to call for the new rules to be amended. Support for the campaign was gained from a range of trade union and non governmental organisations. In addition, Kalayaan provided support and information to various UK Government initiatives and research on trafficking in people.

Kalayaan's priorities in the current year are:

- Continue to provide advice and facilities for migrant domestic workers and to reach out to those from countries currently under represented among clients.
- Extend the facilities offered to those escaping abusive employers, particularly the provision of safe, emergency accommodation.
- Continue and increase the number of ESOL classes available to migrant domestic workers.
- Continue to provide advice and information to the government about the potential impact of its new immigration and work permit proposals on migrant domestic workers and to ensure that new laws do not increase the potential for abuse of such workers.
- Upgrade the office IT and communications.
- Strengthen the group of MDWs involved in the campaign against the proposed new rules and to provide a better support for MDWs escaping from exploitation.

The Management Committee recognises the hard work of the staff over the last year and would like to thank them for their support.

Risk Management

The Management Committee has considered the main risks to the future of the organisation and considers that they mainly fall under two headings:

- Reliance on four dedicated staff members, willing and able to work unsocial hours and to offer a wide range of practical and emotional support.
- Possible problems that may arise from dealing with such sensitive issues of migration and employment opportunities.

In the last two years, Kalayaan has been a fully accredited advice centre and this has meant more control of procedures and regular audits of the staff providing advice. The possible problems that could arise for the organisation from the loss of experienced staff are clear but the Committee does not see how systems can be put into place to avoid this risk, apart from trying to arrange sensible handover arrangements when staff do change.

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

REPORT OF THE MANAGEMENT COMMITTEE (CONTINUED)

Reserves:

Throughout its life Kalayaan has operated with minimum financial resources. Although the position is better than it has been, the general reserve would still cover less than two month's work by the office. The Management Committee would like to build up a reserve to cover at least three months of the core costs of the office in order to provide stability to the organisation. However, this is unlikely to be possible unless Kalayaan can find some new and regular sources of funding, particularly unrestricted funds.

Statement of the Management Committee's Responsibilities:

Charity 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 its results for that period. In preparing those financial statements the trustees are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether the policies adopted are in accordance with the Charities SORP and with applicable accounting standards, 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 assume 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 to enable them to ensure that the financial statements comply with relevant law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Financial Review

Income for the year of **£172,795** was 7% below the previous year previous year, mainly due to the receipt of two large one off grants during that year. Total expenditure of **£177,158** for the year was **£53,432** above the previous year. The large increase was due to the start of the new research project, work on the campaign and the general rise in costs. In consequence Kalayaan's accounts for the financial year 2007/8 showed a deficit of **£4,363**, made up of a deficit of **£6,073** on restricted funds and a surplus of **£1,710** on unrestricted funds. As a result the organisation's free reserves have increased to **£28,427** just less than the two months of core costs that is the aim of the Management Committee.

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

REPORT OF THE MANAGEMENT COMMITTEE (CONTINUED)

Details of income and expenditure may be found in the figures and notes to the accounts set out below, along with the balance sheet. The fluctuations in debtors and creditors year on year are purely the result of the timing of receipts and payment around the year-end.

A resolution proposing the reappointment of the auditor will be put to the first Management Committee following the Annual General Meeting.

Approved by the Management Committee on and signed on its behalf by

.....
Management Committee Member

.....
Management Committee Member

INDEPENDENT EXAMINER'S REPORT

TO THE MANAGEMENT COMMITTEE MEMBERS OF KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

We report on the Financial Statements of the Kalayaan – Justice For Migrant Domestic Workers for the year ended 31st March 2008, which is set out on pages 9 to 11, and notes to the Financial Statements on pages 12 to 14.

Respective responsibilities of Management Committee Members and Examiner

The Management Committee members of Kalayaan – Justice For Migrant Domestic Workers are responsible for the preparation of the accounts; they consider that the audit requirement of section 43 (2) of the Charities Act 1993 does not apply. We have been appointed under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. It is our responsible to examine the accounts, without performing an audit, and to report to the trustees.

Basis of Independent Examiner's Report

This report is in respect of an examination carried out under section 43 of the Charities Act 1993 and in accordance with the directions given by the Charity Commissioners under section 43(7)(b). An examination includes a review of the accounting records kept by the Charity Management Committee and a comparison of the accounts presented with those records. It also includes a review of the accounts and making such enquiries as are necessary for the purpose of this report. The procedures undertaken do not constitute an audit.

Independent Examiner's Statements

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

- 1) Which gives us reasonable cause to believe that in any material respect the requirements**
 - To keep accounting records in accordance with section 41 of the Act; and
 - To prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met; or

- 2) To which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.**

Cynthia Smart (FCCA)
Chartered Certified Accountant
6 Royal Crescent
Newbury Park
Ilford
IG2 7NH

Date:

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2008**

	Unrestricted Notes Funds	Restricted Funds	2008 Total Funds	2007 Total Funds
	£	£	£	£
Incoming Resources:				
<i>Charitable activities</i>				
King's Fund	0	0	0	14,846
City Parochial	0	25,000	25,000	22,500
Oak Foundation	0	40,174	40,174	35,535
Oxfam GB	0	4,000	4,000	0
Centre for Social Justice	0	0	0	7,000
Tudor Trust	0	0	0	25,000
Mercers	0	0	0	10,000
Henry Smith Charity	0	29,000	29,000	29,000
Notting Hill Methodist Church	0	750	750	0
Big Lottery Fund	0	48,317	48,317	26,789
Royal Borough of Kensington & Chelsea	0	15,675	15,675	3,900
Sport Relief	0	0	0	2,600
Small Grants	0	0	0	325
<i>Voluntary Income</i>				
Fundraising / Donations etc	3,006		3,006	1,241
Emergency Funds	0	0	0	150
Clients Money	182		182	582
ESOL Students Contributions	650	0	650	0
UWA	0	0	0	5,272
Other Income	3,464		3,464	577
<i>Investment Income</i>				
Bank Interest	2,577		2,577	1,206
Total Incoming Resources	9,879	162,916	172,795	186,523

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

Charity Number: 1103847

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2008 (CONTINUED)**

	Unrestricted	Restricted	2008	2007
	Notes	Funds	Total Funds	Total Funds
		£	£	£
Resources Expended				
<i>Charitable Activities</i>				
Salaries / ENIC / Pension		6,012	128,873	87,073
Staff Recruitment			2,160	552
Staff Travel			775	197
Staff Development / Training			2,009	210
Literacy / Computer / ESOL Classes			7,862	6,703
Workshops Expenses / Room Hire			31	1,057
Emergency Fund / Accommodation			760	756
Clients Costs			3,214	3,738
Volunteers' Expenses			790	98
Premises Costs			11,604	11,199
Equipment Repairs & Maint.			2,261	1,321
Stationery / Postage / Photocopying			3,668	2,526
Subscriptions / Memberships etc			1,368	479
Telephone / Fax / Internet			2,762	2,811
Sundry Expenses		0	147	16
BLF – Research Expenses		0	5,634	20
<i>Governance Costs</i>				
Management Committee Expenses		60	60	374
Bank Charges		24	24	19
Accountancy etc		375	375	1,803
Insurance			653	980
Legal / Consultancy Fees		1,698	1,698	1,364
Depreciation		0	430	430
		-----	-----	-----
Total Resources Expended		8,169	177,158	123,726
		-----	-----	-----
Net incoming (outgoing) resources				
For the year		1,710	(4,363)	62,797
Balance brought forward at 1 April 2007		26,717	110,305	47,508
		-----	-----	-----
Balance carried forward at 31 March 2008		28,427	105,942	110,305
		=====	=====	=====

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**BALANCE SHEET
AS AT 31 MARCH 2008**

	Notes	2008 £	2007 £
Fixed Assets			
At costs		0	1,720
Additions		1,720	0
Less Accumulated Depreciation		(860)	(430)
NET BOOK VALUE		<u>860</u>	<u>1,290</u>
Current Assets:			
Debtors	3	0	483
Cash at bank and in hand		105,182	108,782
		-----	-----
		105,182	109,265
Liabilities:	4	(100)	(250)
(Amounts falling due within one year)		-----	-----
Net Current Assets		105,082	109,015
		=====	=====
NET ASSETS:		105,942	110,305
		=====	=====
Funds:			
Unrestricted funds:			
General		28,427	26,717
Restricted funds:		77,515	83,588
		-----	-----
		105,942	110,305
		=====	=====

The Management Committee approved these accounts on:

.....
Management Committee Member

.....
Management Committee Member

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2008**

1. Accounting Policies:

- a) The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice: Accounting by Charities - SORP 2005 issued March 2005.
- b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received. Gifts in kind are valued at their estimated value to the charity and included under the appropriate headings.
- c) Intangible income is valued and included in income to the extent that it represented goods or services, such as volunteer time; the accounts do not include them.
- d) Grants including grants for the purchase of fixed assets are recognised in full in the Statement of Financial Activities in the year in which they are received.
- e) Fund-raising expenditure comprises all cost incurred including people or organisations to contribute financially to the charity's work.
- f) Administration expenditure comprises all costs incurred in running the charity, which cannot directly be allocated to the charity's projects or fund-raising.
- g) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure, which meets these criteria, is identified to the fund.
- h) Unrestricted funds are donations and other income received or generated for the objects of the charity without further specified purpose and is available as general funds.
- i) Fixed assets are included in the accounts at their historical cost and are written off through the statement of financial activities.
- j) Administration expenditure comprises costs incurred in running the charity. Where applicable, some of these costs have been treated as direct charitable expenditure.

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2008**

2 Interest receivable and similar income

	2008
	£
Bank interest	2,577
	=====

3 Debtors / Prepayments

2008
£
0
===

4 Liabilities: amounts falling due within one year

	2008
	£
Accruals - Professional fees	100
Book-keeping	
Other creditors	

	100
	=====

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2008**

5 Restricted funds - breakdown:

Funders/ Projects	Balance B/fwd	Incoming resources	Resources Expended	Balance C/fwd
Big Lottery Fund (Research)	21,458	48,317	(48,838)	20,937
City Parochial	59	25,000	(19,014)	6,045
Clients' Fund	6,343	0	(0)	6,343
DHM	1,498	0	(476)	1,022
Emergency Fund	150	0	(150)	0
Health	79	0	(0)	79
Henry Smith Charity	22,530	29,000	(23,923)	27,607
Notting Hill Methodist Church	0	750	(840)	(90)
Oak Foundation	2,612	40,174	(35,704)	7,082
Oxfam GB	0	4,000	(4,000)	0
RB Kensington & Chelsea	3,900	15,675	(15,600)	3,975
Sisters of St Louis	275	0	(0)	275
Sport Relief	1,835	0	(1,255)	580
Tudor Trust	22,849	0	(19,189)	3,660
	83,588	162,916	(175,001)	71,503