



KALAYAAN

justice for migrant domestic workers

**KALAYAAN (limited by guarantee) - JUSTICE FOR MIGRANT
DOMESTIC WORKERS**

FINANCIAL STATEMENTS

For the Year Ended 31 MARCH 2014

**Registered Charity in England and Wales – 1146596
Registered company in England and Wales 07968872**

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

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KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

FINANCIAL STATEMENTS FOR THE FOR THE PERIOD FROM 1 April 2013 to 31 MARCH 2014

ORGANISATION INFORMATION

Legal Status

Charity and private company limited by guarantee.

MANAGEMENT COMMITTEE MEMBERS

Francesca Cooney (Chair)
Bridget Anderson (Left October 2013)
Myriam Cherti
Rob Fink (Vice Chair) (Joined October 2013)
Margaret Healy (Left October 2013)
Jibrail Hogan (Joined October 2013)
Mumtaz Lalani (Secretary)
Ruby Lopes (Left October 2013)
Virginia Mantouvalou (Joined October 2013)
Khadija Najlaoui
David Ould (Left October 2013, acting Treasurer)

STAFF

Rita Gava
Catherine Kenny
Kate Roberts
Karanvir Singh
Jenny Moss (on maternity leave, left January 2014)

REGISTERED OFFICE

St. Francis Centre
13 Hippodrome Place
London W11 4SF

ACCOUNTANT

John Waller
PK Audit LLP
Chartered Accountants
22 The Quadrant
Richmond
Surrey
TW9 1BP

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 its directors' report and independently examined accounts for the year ended 31 March 2014.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the company's Memorandum and Articles of Association, the Companies Act 2006, Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Kalayaan is a registered charity and company limited by guarantee. 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 act as trustees for the purpose of charity law and directors for the purpose of company law and 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:

- Six day a week Drop in Centre.
- 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 150 students.
- Regular free legal surgeries with qualified solicitors.

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REPORT OF THE MANAGEMENT COMMITTEE (continued)

- Advice and assistance on health issues.
- Research on issues currently facing migrant domestic workers (MDWs) in the UK and the policies in place to protect them.
- 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 changes to the immigration rules affecting MDWs.
- Registered with the government as a first responder to begin the process of formally identifying people as victims of trafficking.

During the reporting period Kalayaan registered 220 new service users from 23 countries and at least 20 advice sessions per week were given. 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. Staff and volunteers supported MDWs 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. General information materials were made available to clients in 12 community languages and initial contacts made with various country specific immigrant support groups in the UK in order to ensure that knowledge of the services offered by Kalayaan was widely disseminated.

Kalayaan's priorities in the current year are:

- To demonstrate to the government the negative impact of the 2012 revision to the immigration and work permit rules on migrant domestic workers and to ensure that new laws do not increase the potential for abuse of such workers.
- To continue to monitor the impact of the new immigration and work permit rules and to use the information gathered to call for changes that will improve conditions for MDWs. In particular Kalayaan will continue to press the government to reverse the work permit rules for MDWs introduced in April 2012.
- Continue to provide advice and facilities for migrant domestic workers and to extend our ability to contact and support those who enter the UK under the new visa and those from countries currently under represented among clients.
- Despite the newly introduced limitations to legal aid to continue supporting clients to take their cases for compensation to employment tribunals in the UK and to ensure that the results of such tribunals are widely publicised.
- Ensure that the facilities provided by the UK Government as part of its implementation of the Council of Europe Trafficking Convention from April 2009 are made fully available to those Kalayaan clients who meet the criteria.
- Continue to run ESOL classes for migrant domestic workers, particularly those unable to access government funded courses.
- To challenge the family worker exemption, which sometimes prevents MDWs from accessing their workers' rights.
- Support and work with Justice 4 Domestic Workers an organisation established by migrant domestic workers within Unite the Union.

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

REPORT OF THE MANAGEMENT COMMITTEE (CONTINUED)

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 three headings:

- Possible problems that may arise from dealing with such sensitive issues as migration and employment opportunities.
- Reliance on four dedicated staff members, willing and able to work unsocial hours and to offer a wide range of practical and emotional support.
- The changes in the laws on migrant domestic work in the UK and the impact on the numbers of MDWs seeking help and the problems they may face.
- Difficulties of finding continuing funding in the light of the reduced capacity of many funders.

In the last fourteen twelve 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 members do change.

Reserves

Throughout its life Kalayaan has operated with minimum financial resources. Some years ago the Management Committee decided that it would be prudent to build up sufficient general reserves to cover at least three months of core operating expenditure. The Committee is pleased to report that the general reserve had reached a level of four months at the end of March 2014.

Asset cover for funds

Note 6 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Statement of the Management Committee's Responsibilities:

Company and 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

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REPORT OF THE MANAGEMENT COMMITTEE (continued)

- 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 the Companies Act 2006. 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.

Public Benefit Statement

The sections of this report above entitled "Principal Activities" set out Kalayaan's objectives and reports on the activity and successes in the year to 31st March 2014 as well as explaining the plans for the current financial year. The Trustees consider that Kalayaan's work continues to benefit a wide range of individuals in the local community and throughout the UK.

Financial Review

Income for the year of **£ 183,116** was 9% lower than the previous year. This was mainly due to the timing of longer term restricted fund grants. Unrestricted fund grants were at the same level as in 2012/13. Total expenditure of **£197,840** for the year was 15% down on the previous year mainly as a result of the ending of payments for legal support in taking cases to employment tribunals and a fall in salary costs.

In consequence, Kalayaan's accounts for the financial year 2013/14 showed a deficit of **£14,724**, made up of a deficit of **£24,574** on restricted funds (as a result of timing of grants), and a surplus of **£9,850** on unrestricted funds. At the year end the organisation's free (unrestricted) reserves increased to **£84,304**, in line with the Board's target. Overall the financial situation remains healthy.

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 payments around the year-end.

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the reappointment of the independent examiner will be put to the first Management Committee following the Annual General Meeting.

Approved by the Management Committee on ^{2nd Sep 14} 2nd Sep 14 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

I report on the financial statements of the company for the year ended 31 March 2014, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes.

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 year 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;
- 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 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:
 - a) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - b) 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 Charities

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 to be reached.

INDEPENDENT EXAMINER'S REPORT

**TO THE MANAGEMENT COMMITTEE MEMBERS OF
KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS (continued)**



John Waller (BA, ACA, FCCA)
PK Audit LLP
Chartered Accountants
22 The Quadrant
Richmond
Surrey
TW9 1BP

Date.....*22/10/14*.....

**KALAYAAN
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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FOR THE YEAR ENDED ON 31 MARCH 2014**

	Unrestricted Notes	Restricted Funds	2014 Total Funds	2013 Total Funds
	£	£	£	£
Incoming Resources:				
<i>Charitable activities</i>				
Trust for London	-	36,000	36,000	36,000
Oak Foundation	-	-	-	48,508
Tudor Trust	-	35,000	35,000	-
Royal Borough of Kensington & Chelsea	-	7,200	7,200	9,900
Barrow Cadbury Trust	-	29,000	29,000	30,000
Esmee Fairbairn CT	-	48,000	48,000	47,081
ATMG	-	1,000	1,000	2,000
Bromley Trust	10,000	-	10,000	10,000
Southall Black Sisters	-	-	-	345
<i>Voluntary Income</i>				
Fundraising / Donations etc	16,546	-	16,546	16,113
Clients Money	0	66	66	-
Membership	134	-	134	9
<i>Investment Income</i>				
Bank Interest	2	170	170	623
Total Incoming Resources	26,850	156,266	183,116	200,579

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED ON 31 MARCH 2014 (CONTINUED)**

	Notes	Unrestricted Funds £	Restricted Funds £	2014 Total Funds £	2013 Total Funds £
Resources Expended					
<i>Charitable Activities</i>					
Salaries / ENIC / Pension		5,171	132,752	137,923	151,308
Staff Travel		-	434	434	598
Staff Development / Training		450	493	943	1,858
Literacy / Computer / ESOL Classes		925	7,066	7,991	5,671
Workshops Expenses / Room Hire		-	283	283	313
Emergency Fund / Accommodation		-	320	320	1,222
Clients Costs		-	738	738	2,784
Volunteers' Expenses		-	647	647	1,459
Premises Costs		4,764	27,114	31,878	24,679
Equipment Repairs & Build Maintenance		60	801	861	7,618
Stationery / Postage / Photocopying		459	5,048	5,507	3,550
Subscriptions / Memberships etc		35	70	105	376
Telephone / Fax / Internet		291	2,673	2,964	3,070
Translation/Printing		-	-	-	130
Sundry Expenses		-	13	13	979
Campaigning/Advocacy		-	118	118	1,853
Legal Consultancy		-	-	-	20,000
Insurance		234	838	1,072	1,450
Cost of Generating Funds		90	126	216	216
Depreciation		696	582	1,278	632
<i>Governance Costs</i>					
Management Committee Expenses		112	215	327	45
Bank Charges		35	-	35	3
Accountancy/Legal fees		478	509	987	2,280
Independent Examiner fee		3,200	-	3,200	1,700
		-----	-----	-----	-----
Total Resources Expended		17,000	180,840	197,840	233,794
		-----	-----	-----	-----
Net incoming (outgoing) resources For the year		9,850	(24,574)	(14,724)	(33,215)
Other income		-	-	-	82,828
Gains		-	-	-	52,182
Transfers between Funds		(99)	99	-	-
Balance Brought Forward at 1 April 2013		74,553	27,242	101,795	-
		-----	-----	-----	-----
Balance carried forward at 31 March 2014		84,304	2,767	87,071	101,795
		=====	=====	=====	=====

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**BALANCE SHEET
AS AT 31 MARCH 2014**

	Notes	2014 £	2013 £
Fixed Assets	4		
NET BOOK VALUE		3,203	4,481
Current Assets:			
Debtors	5	9,000	49,853
Cash at bank and in hand		80,293	49,061
		-----	-----
		89,293	98,914
Liabilities:	6	(5,425)	(1,600)
(Amounts falling due within one year)		-----	-----
Net Current Assets		83,868	97,314
		=====	=====
NET ASSETS:		87,071	101,795
		=====	=====
Funds:			
Unrestricted funds:			
General		84,304	74,553
Restricted funds:	7	2,767	27,242
		-----	-----
	10	87,071	101,795
		=====	=====

For the year ended 31 March 2014, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to have an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the management committee on 2nd Sep 2014 and signed on its behalf by:



.....
Management Committee Member



.....
Management Committee Member

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED ON 31 MARCH 2014**

1. Accounting Policies:

- a) Accounting policies
- Basis of preparation. The accounts have been prepared under the historical cost convention.
 - The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, and with the financial accounting standard for smaller entities and the Companies Act 2006.
- 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. Volunteer time are not valued in the accounts but the support is noted in the Trustees' annual report.
- 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) 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.
- g) 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.
- h) Fixed assets are included in the accounts at their historical cost and are written off through the statement of financial activities:
- Computers – 25% straight line
 - Fixtures and fittings – 25% straight line
- i) Administration expenditure comprises costs incurred in running the charity. Where applicable, some of these costs have been treated as direct charitable expenditure.

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**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED ON 31 MARCH 2014**

2. Interest receivable and similar income

	2014	2013
	£	£
Bank interest	170	623
	===	====

	2014	2013
	£	£
3. Independent Examiner's Remuneration	2,400	2,400
	=====	=====

4. Tangible Fixed Assets

	Computer Equipment	Fixtures, fittings & equipment	Total
Cost			
at 1 April 2013	3,575	1,538	5,113
Additions	-	-	-
Disposals	-	-	-
At 31 March 2014	3,575	1,538	5,113
Depreciation			
at 1 April 2013	474	158	632
Charge for the year	894	384	1,278
At 31 March 2014	1,368	542	1,910
Net book value			
at 31 March 2014	2,207	996	3,203
at 31 March 2013	3,101	1,380	4,481

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**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED ON 31 MARCH 2014**

5. Debtors / Prepayments

	2014 £	2013 £
Oak Foundation	-	48,508
Barrow Cadbury Trust	-	1,000
Southall Black Sisters	-	345
Trust for London	9,000	-
Royal Borough of Kensington & Chelsea	-	-
	=====	=====
	<u>9,000</u>	<u>49,853</u>

6. Liabilities: amounts falling due within one year

	2014 £	2013 £
Accruals		
Independent Examination 2012/13	2,400	1,600
Independent Examination 2013/14	2,400	-
Financial Support from Accountants	378	-
Client Funds	247	-
	=====	=====
	<u>5,425</u>	<u>1,600</u>

7. Restricted funds - breakdown:

Funders/ Projects	Balance B/fwd	Incoming resources	Resources Expended	Transfers B/fwd	Balance C/fwd
Trust for London	393	36,000	(34,532)	-	1,861
Clients' Fund	4,436	66	(1,507)	-	2,995
Esmee Fairbairn CT	395	48,000	(48,111)	-	284
Oak Foundation	21,763	-	(21,862)	99	-
ATMG	-	1,000	(995)	-	5
RB Kensington & Chelsea	(17)	7,200	(9,634)	-	(2,451)
Barrow Cadbury Trust	272	29,000	(29,219)	-	53
Tudor Trust	-	35,000	(34,980)	-	20
	-----	-----	-----	-----	-----
	27,242	156,266	(180,840)	99	2,767

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**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED ON 31 MARCH 2014**

8. Trustees

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

9. Employees

The average number of employees during the year was:	2014	2013
	4	4
Employment costs:	2014	2013
Wages and salaries	85,807	96,747
Social security	44,572	45,973
Other pension costs	<u>7,544</u>	<u>8,588</u>
	137,923	151,308
	=====	=====

There were no employees whose annual emoluments were £60,000 or more.

10. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fund balances at 31 March are represented by:			
Tangible fixed assets	3,203	-	3,203
Current assets	86,526	2,767	89,293
Creditors: amounts falling Due within one year	<u>(5,425)</u>	-	<u>(5,425)</u>
	<u>84,304</u>	<u>2,767</u>	<u>87,071</u>