

KALAYAAN

justice for migrant domestic workers

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

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KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

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THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

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
Kate Roberts
Lourdes Gordolan

REGISTERED OFFICE

St. Francis Centre
13 Hippodrome Place
London W11 4SF

ACCOUNTANT

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

BANKER

Bank of Ireland
20 Berkeley Square
London W1J 6LL

**KALAYAAN
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REPORT OF THE MANAGEMENT COMMITTEE MEMBERS

The Management Committee present their report and financial statements for the year ended 31 March 2007.

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:

- 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 100 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 more than 1,800 people from 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. Staff and volunteers supported

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REPORT OF THE MANAGEMENT COMMITTEE (CONTINUED)

clients 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 established 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. Public and media interest in the 2007 anniversary for the abolition of Great Britain's involvement in the slave trade presented an opportunity to highlight the exploitation that many MDWs continue to suffer.

During the year the Government announced their intention to introduce new rules for those entering the UK to work and that this would mean that MDWs from outside the European Union would have their rights to work and live in the UK severely reduced. Kalayaan began a new 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.

Towards the end of the year Kalayaan began a small research project to investigate the use of MDWs as carers, particularly for elderly people. The work has been funded by the Big Lottery Fund and is being undertaken in association with the COMPAS Centre at Oxford University.

At the end of the year Kalayaan ended its joint tenancy of the St Francis Centre and took over sole tenancy of the Centre.

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.
- Establish a stronger group of MDWs to involve the community 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.

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REPORT OF THE MANAGEMENT COMMITTEE (CONTINUED)

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 staffs do change.

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

There was a net surplus of £62,797 during the year under review. This was made up of a surplus of £5,318 on unrestricted funds and a surplus of £57,479 on restricted funds. Total expenditure for the year was approximately the same as the previous year and this reflected a period of stability in both staff and work. Costs will rise in 2007/8 to reflect the additional staff member employed for the new research project and some much needed improvements in the office IT and communications capacity.

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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 7/10/07 and signed on its behalf by



.....
Management Committee Member



.....
Management Committee Member

AUDITOR'S REPORT

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

I have audited the financial statements on pages 9 to 11, which have been prepared under the historical cost convention and the accounting policies, set out on pages 12 to 15.

Respective responsibilities of Management Committee and Auditor:

As described on page 3 the Management Committee members of Kalayaan – Justice for Migrant Domestic Workers are responsible for the preparation of the financial statements. It is my responsibility for form an independent opinion, based on my audit, on those statements and to report my opinion to the Management Committee.

Basis of Opinion:

I conducted my audit in accordance with Auditing Standards issued by the Auditing Standards Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes assessments and of whether the accounting policies are appropriate to the Association's circumstances consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanation which I consider necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. In forming an opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion:

In my opinion the financial statements gives a true and fair view of the Association's affairs as at 31st March 2007 and of its incoming resources and application of resources, including its Statement of Financial Activities, in the year then ended and have been properly prepared in accordance with Charity Act 1992.



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

Date: 14 October 2007

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JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2007**

	Unrestricted Notes Funds	Restricted Funds	2007 Total Funds	2006 Total Funds
	£	£	£	£
Incoming Resources:				
<i>Charitable activities</i>				
12 Gardens Court Chamber				2,500
ALG Grant				14,957
King's Fund		14,846	14,846	29,692
City Parochial		22,500	22,500	22,500
Oak Foundation		35,535	35,535	0
Centre for Social Justice		7,000	7,000	0
Tudor Trust		25,000	25,000	0
Mercers		10,000	10,000	0
Henry Smith Charity		29,000	29,000	0
Awards for All	0	0	0	4,750
Big Lottery Fund		26,789	26,789	0
BT Internet	0	0	0	180
Royal Borough of Kensington & Chelsea		3,900	3,900	0
Sport relief		2,600	2,600	0
Small Grants	0	325	325	0
TUC	0	0	0	310
<i>Voluntary Income</i>				
Fundraising / Donations etc	1,241		1,241	6,602
Emergency Funds		150	150	1,321
Clients Money	582		582	2,573
UWA	5,272	0	5,272	
Statutory Maternity Pay	0	0	0	2,892
Other Income	577		577	285
<i>Investment Income</i>				
Bank Interest	1,206		1,206	971
Total Incoming Resources	8,878	177,645	186,523	89,533

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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2007 (CONTINUED)**

	Notes	Unrestricted Funds £	Restricted Funds £	2007 Total Funds £	2006 Total Funds £
Resources Expended					
<i>Charitable Activities</i>					
Salaries / ENIC / Pension			87,073	87,073	89,756
Staff Recruitment			552	552	0
Staff Travel			197	197	380
Staff Development / Training			210	210	39
Literacy / Computer / ESOL Classes			6,703	6,703	487
Workshops Expenses / Room Hire			1,057	1,057	1,777
Events	0	0	0	0	173
Research Travel & Subsistence			20	20	0
Emergency Fund / Accommodation			756	756	765
Clients Costs			3,738	3,738	110
Volunteers' Expenses			98	98	217
Premises Costs			11,199	11,199	10,484
Equipment Repairs & Maint.			1,321	1,321	0
Stationery / Postage / Photocopying			2,526	2,526	2,352
Subscriptions / Memberships etc			479	479	477
Telephone / Fax / Internet			2,811	2,811	3,267
Website			0	0	217
TV License	0	0	0	0	126
Sundry Expenses	0	0	16	16	0
<i>Governance Costs</i>					
Management Committee Expenses		374		374	29
Bank Charges		19		19	9
Accountancy etc		1,803	0	1,803	1,835
Insurance			980	980	604
Legal / Consultancy Fees		1,364		1,364	588
Computer Installation / Software etc		0	0	0	630
Depreciation		0	430	430	0
Total Resources Expended		3,560	120,166	123,726	114,322
Net incoming (outgoing) resources					
For the year		5,318	57,479	62,797	(24,789)
Balance brought forward at 1 April 2006		6,494	41,014	47,508	72,297
Balance carried forward at 31 March 2007		11,812	98,493	110,305	47,508

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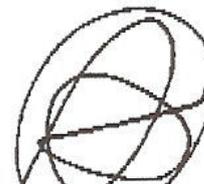
**BALANCE SHEET
AS AT 31 MARCH 2007**

	Notes	2007 £	2006 £
Fixed Assets			
At costs			
Additions		1,720	6,225 0
Less Accumulated Depreciation		(430)	(6,225)
NET BOOK VALUE		<u>1,290</u>	<u>0</u>
Current Assets:			
Debtors	3	483	323
Cash at bank and in hand		108,782	48,340
		-----	-----
		109,265	48,663
Liabilities:	4	(250)	(1,155)
(Amounts falling due within one year)		-----	-----
Net Current Assets		109,015	47,508
		=====	=====
NET ASSETS:		110,305	47,508
		=====	=====
Funds:			
Unrestricted funds:			
General		11,812	6,494
Restricted funds:		98,493	41,014
		-----	-----
		110,305	47,508
		=====	=====

The Management Committee approved these accounts on 7/10/07:



Management Committee Member



Management Committee Member

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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2007**

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.

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**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007**

2 Interest receivable and similar income

	2007
	£
Bank interest	1,206
	===

3 Debtors / Prepayments

2007
£

483
===

4 Liabilities: amounts falling due within one year

	2007
	£
Accruals - Professional fees	250
Book-keeping	
Other creditors	

	250
	=====

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**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007**

5 Restricted funds - breakdown:

Funders/ Projects	Balance B/fwd	Incoming resources	Resources Expended	Balance C/fwd
ALG	6,410	0	(0)	6,410
TUC	60	0	(0)	60
DHM	1,830	0	(332)	1,498
Kings Funds	12,370	14,846	(27,147)	69
Tudor Trust	0	25,000	(2,151)	22,849
Oak Foundation	0	35,535	(32,923)	2,612
City Parochial Centre for Social Justice	9,862	22,500	32,303	59
Mercers Company	0	10,000	(8,634)	1,366
Henry Smith Charity	0	29,000	(6,470)	22,530
Big Lottery Fund	0	26,789	(5,331)	21,458
RB Kensington & Chelsea	0	3,900	0	3,900
Sport Relief	0	2,600	(765)	1,835
Oxfam UK	0	125	(125)	0
LVSC	0	200	(200)	0
Emergency Fund	0	150	0	150
Awards for All	3,560	0	(3,560)	0
Health	79	0	(0)	79
Sisters of St Louis	500	0	(225)	275
Clients' Fund	6,343	0	(0)	6,343
	41,014	177,645	(120,166)	98,493