

KALAYAAN

justice for migrant domestic workers

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

FINANCIAL STATEMENTS

For the Period from 28 February 2012 to 31 MARCH 2013

**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 PERIOD FROM 28 FEBRUARY 2012 to 31 MARCH 2013

CONTENTS	Page
Charity Information	3
Report of the Management Committee	4
Independent Examiner's Report	8
Statement of Financial Activities	10
Balance Sheet	12
Notes to the Accounts	13

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

FINANCIAL STATEMENTS FOR THE FOR THE PERIOD FROM 28 FEBRUARY 2012 to 31 MARCH 2013

ORGANISATION INFORMATION

Legal Status

Charity and private company limited by guarantee.

MANAGEMENT COMMITTEE MEMBERS

Francesca Cooney (Chair)
Bridget Anderson
Myriam Cherti
Maria Gonzalez Dardagan (left 14 March 2013)
Margaret Healy (Deputy Chair)
Mumtaz Lalani (Secretary)
Ruby Lopes
Khadija Najlaoui
David Ould (Treasurer)

STAFF

Rita Gava
Ishah Jawaid (left Dec 2012)
Catherine Kenny (from Jan 2013)
Jenny Moss (mat leave from Jan 2013)
Kate Roberts
Natalie Sharples (left Dec 2012)
Karanvir Singh (from Nov 2012)

REGISTERED OFFICE

St. Francis Centre
13 Hippodrome Place
London W11 4SF

ACCOUNTANT

Bryan and Ridge
Chartered Accountants
The Gatehouse
2 Devonhurst Place
Heathfield Terrace
London W4 4JD

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 first period from 28 February 2012 to 31 March 2013. The company was incorporated on 28 February 2012 and commenced its charitable activities on 1 April 2012 when it took over the assets and undertakings of the previous unincorporated charity. The assets as shown on the independently examined accounts for the year ended 31 March 2012 of the previous unincorporated charity were taken over on 1 April 2012.

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.

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

REPORT OF THE MANAGEMENT COMMITTEE (continued)

- 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.
- 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.

During the reporting period Kalayaan registered 198 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 its new 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 on to call for changes that will improve conditions for MDWs. In particular Kalayaan will 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 reach out to those who enter the UK under the new visa and those from countries currently under represented among clients.
- 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 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 2013.

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
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

REPORT OF THE MANAGEMENT COMMITTEE (continued)

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 2013 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

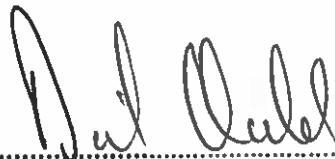
Income for the year of **£200,579** was 8% lower than the previous year. This was mainly due to the timing of longer term restricted fund grants. Unrestricted fund grants were 25% up on 2011/12. Total expenditure of **£233,794** for the year was 11% up on the previous year mainly as a result of payments for supporting clients to take cases to employment tribunals. During the year Kalayaan expanded its offices to allow more confidential advice sessions and to provide more space for English classes. Most of the extra rent should be saved by holding more of the English classes in house.

In consequence Kalayaan's accounts for the financial year 2012/13 showed a deficit of **£33,215**, made up of a deficit of **£24,940** on restricted funds, and a deficit of **£8,275** on unrestricted funds. As a result the organisation's free (unrestricted) reserves have decreased to **£74,553**, but remain 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. The figures in the accounts for the year 2012 refer to the previous unincorporated charity Kalayaan and are included for comparison purposes only.

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 9 September 2013 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 period ended 31 March 2013, 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)**



R G Norfolk (ACA)

The Gatehouse
2 Devonhurst Place
Heathfield Terrace
London
W4 4JD

Date.....9/10/13.....

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FOR THE YEAR ENDED ON 31 MARCH 2013**

	Unrestricted Notes	Restricted Funds	2013 Total Funds	2012 Total Funds (information only)
	£	£	£	£
Incoming Resources:				
<i>Charitable activities</i>				
Trust for London	0	36,000	36,000	36,000
Oak Foundation	0	48,508	48,508	48,059
Oxfam GB	0	0	0	3,000
Tudor Trust	0	0	0	20,000
Royal Borough of Kensington & Chelsea	0	9,900	9,900	10,000
Barrow Cadbury Trust	0	30,000	30,000	30,000
Esme Fairbairn CT	0	47,081	47,081	48,586
ATMG	0	2,000	2,000	0
WEA	0	0	0	600
Bromley Trust	10,000	0	10,000	10,000
Southall Black Sisters	0	345	345	0
<i>Voluntary Income</i>				
Fundraising / Donations etc	16,113	0	16,113	10,475
Clients Money	0	0	0	20
Membership (9)	9	0	9	82
<i>Investment Income</i>				
Bank Interest	623	0	623	614
Total Incoming Resources	26,745	173,834	200,579	217,436

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED ON 31 MARCH 2013 (CONTINUED)**

	Notes	Unrestricted Funds	Restricted Funds	2013 Total Funds	2012 Total Funds (information only)
		£	£	£	£
Resources Expended					
<i>Charitable Activities</i>					
Salaries / ENIC / Pension		15,117	136,191	151,308	151,850
Staff Travel			598	598	1,415
Staff Development / Training			1,858	1,858	3,063
Literacy / Computer / ESOL Classes	2,410		3,261	5,671	12,848
Workshops Expenses / Room Hire	40		273	313	1,316
Emergency Fund / Accommodation			1,222	1,222	1,591
Clients Costs	542		2,242	2,784	1,368
Volunteers' Expenses	192		1,267	1,459	1,741
Premises Costs	9,427		15,252	24,679	19,766
Equipment Repairs & Build Maintenance	1,490		6,128	7,618	1,913
Stationery / Postage / Photocopying	1,007		2,543	3,550	4,431
Subscriptions / Memberships etc	18		358	376	71
Telephone / Fax / Internet	760		2,310	3,070	3,074
Translation/Printing			130	130	3,002
Sundry Expenses	60		919	979	285
Campaigning/Advocacy	1,853		0	1,853	52
Legal Consultancy	0		20,000	20,000	0
Insurance	410		1,040	1,450	0
Cost of Generating Funds	108		108	216	0
Depreciation	344		288	632	0
<i>Governance Costs</i>					
Management Committee Expenses	13		32	45	302
Bank Charges			3	3	9
Accountancy/Legal fees	0		2,280	2,280	1,441
Audit	1,229		471	1,700	1,100
Total Resources Expended		35,020	198,774	233,794	210,638
Net incoming (outgoing) resources					
For the year		(8,275)	(24,940)	(33,215)	6,798
Other income	2	82,828	0	82,828	
Gains	2	0	52,182	52,182	
Balance carried forward at 31 March 2013		74,553	27,242	101,795	135,010

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**BALANCE SHEET
AS AT 31 MARCH 2013**

	Notes	2013 £	2012 £
Fixed Assets			
At cost		-	1,720
Additions		5,113	
Less Accumulated Depreciation		(632)	(1,720)
NET BOOK VALUE		4,481	0
Current Assets:			
Debtors	4	49,853	20,500
Cash at bank and in hand		49,061	135,610
		-----	-----
		98,914	156,110
Liabilities:	5	(1,600)	(21,100)
(Amounts falling due within one year)		-----	-----
Net Current Assets		97,314	135,110
		=====	=====
NET ASSETS:		101,795	135,010
		=====	=====
Funds:			
Unrestricted funds:			
General		74,553	82,828
Restricted funds:		27,242	52,182
		-----	-----
		101,795	135,010
		=====	=====

For the period ended 31 March 2013, 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 9 September 2013 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 2013**

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 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.

j) The 2012 figures refer to the previously unincorporated charity, Kalayaan, and as such are included for information only.

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED ON 31 MARCH 2013**

k) Other income: This relates to the net assets transferred from the unrestricted fund of the previous unincorporated charity.

Gains: These relate to the net assets transferred from the restricted funds of the previous unincorporated charity which are controlled and managed by the company.

2. The assets of the previously unincorporated charity, Kalayaan, were transferred to the new charity at the value shown in the accounts at the date of transfer.

3. Interest receivable and similar income

	2013	2012
	£	
Bank interest	539	614
	===	====

4. Debtors / Prepayments

	2013	2012
	£	£
Oak Foundation	48,508	0
Barrow Cadbury Trust	1,000	0
Southall Black Sisters	345	0
Trust for London	0	18,000
Royal Borough of Kensington & Chelsea	0	2,500
	=====	=====
	49,853	20,500

5. Liabilities: amounts falling due within one year

	2013	2012
	£	£
Accruals		
Independent Examination	1,600	1,100
Other creditors	0	20,000
	=====	=====
	1,600	21,100

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED ON 31 MARCH 2013**

6. Restricted funds - breakdown:

Funders/ Projects	Balance B/fwd	Incoming resources	Resources Expended	Transfers	Balance C/fwd
Trust for London	73	36,000	(35,680)		393
Clients' Fund	5,615	0	(1,179)		4,436
Esmee Fairbairn CT	2,504	47,081	(49,190)		395
Oak Foundation	33,251	48,508	(59,996)		21,763
ATMG	0	2,000	(2,000)		0
RB Kensington & Chelsea	278	9,900	(10,195)		(17)
Barrow Cadbury Trust	10,461	30,000	(40,189)		272
Southall Black Sisters	0	345	(345)		0
	52,182	173,834	(198,774)		27,242

7. Trustees

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

8. Employees

The average monthly number of employees during the year was:

	2013	2012
	4	4
Employment costs:	2013	2012
Wages and salaries	96,747	104,866
Social security	45,973	40,543
Other pension costs	<u>8,588</u>	<u>6,441</u>
	151,308	151,850
	=====	=====

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

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED ON 31 MARCH 2013**

9. Tangible Fixed Assets

	Computer Equipment	Fixtures, fittings & equipment	Total
Cost			
at 1 April 2012	-	-	-
Additions	3,575	1,538	5,113
Disposals	-	-	-
At 31 March 2013	3,575	1,538	5,113
Depreciation			
at 1 April 2012	-	-	-
Charge for the year	474	158	632
At 31 March 2013	474	158	632
Net book value			
at 31 March 2013	3,101	1,380	4,481
at 31 March 2012	-	-	-

10. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 March are represented by:			
Tangible fixed assets	4,481	-	4,481
Current assets	71,723	27,372	99,095
Creditors: amounts falling Due within one year	(1,600)	-	(1,600)
	74,604	27,372	101,976