

KALAYAAN

justice for migrant domestic workers

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

FINANCIAL STATEMENTS

For the Year Ended 31 MARCH 2015

**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 2015

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KALAYAAN - JUSTICE FOR MIGRANT DOMESTIC WORKERS

FINANCIAL STATEMENTS FOR THE FOR THE YEAR ENDED 31 MARCH 2015

ORGANISATION INFORMATION

Legal Status

Charity and private company limited by guarantee.

MANAGEMENT COMMITTEE MEMBERS

Francesca Cooney (Chair)
Myriam Cherti
Rob Fink (Vice Chair)
Alison Harvey (joined December 2014)
Mumtaz Lalani
Virginia Mantouvalou
Khadija Najlaoui
David Ould (Treasurer)

STAFF

Rita Gava (Company Secretary)
Catherine Kenny
Kate Roberts
Karanvir Singh

REGISTERED OFFICE

St. Francis Centre
13 Hippodrome Place
London W11 4SF

INDEPENDENT EXAMINER

John Waller
PK Audit LLP
Chartered Accountants
The Gatehouse,
2 Devonhurst Place,
Heathfield Terrace,
London, W4 4JD

BANKER

CAF
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

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 2015.

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 until February 2014

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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 188 new service users from 21 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 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.

Over the year Kalayaan continued to play a leading role in the government's consultations about the Modern Slavery Bill. As a result, although the rules were not altered to allow MDWs to change their employers in the UK, the government did agree to set up a new enquiry into the issues faced by MDWs in the UK and whether new protection measures were required. This campaigning allied to its core activities in support of MDWs in the UK allows Kalayaan to have an impact far above its size and costs.

Kalayaan is thankful for the work and support of many volunteers without whom it could not operate so widely. In particular volunteer work has been invaluable in supporting staff by teaching English classes, interpreting for clients, administrative work in the office, running legal surgeries and providing accommodation for homeless MDWs.

Kalayaan's priorities in the current year are:

- To continue 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 monitor the impact of the new law against modern slavery and the 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 and to provide more protection for MDWs employed by embassy staff in the UK.

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REPORT OF THE MANAGEMENT COMMITTEE (CONTINUED)

- 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 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.

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 four 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 fifteen 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 good record keeping and 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 2015.

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REPORT OF THE MANAGEMENT COMMITTEE (continued)

Asset cover for funds

Note 10 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.

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 2015 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 **£232,797** was 27% higher than the previous year. This was mainly due to the timing of longer term restricted fund grants. Unrestricted fund grants were at a similar level to 2013/14. Total expenditure of **£199,430** for the year was 1% up on the previous year.

Kalayaan's accounts for the financial year 2014/15 showed a surplus of **£33,367**, made up of a surplus of **£41,083** on restricted funds (as a result of timing of grants), and a deficit of **£7,716** on unrestricted funds. At the year end the organisation's free (unrestricted) reserves were **£76,588** in line with the Board's target. Overall the financial situation remains healthy.

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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 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 16 September 2015 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 2015, 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:

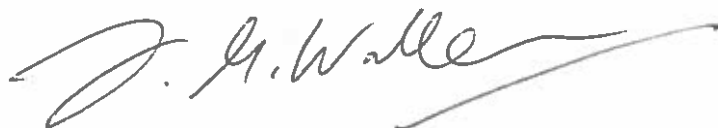
- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 - a) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of 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
The Gatehouse,
2 Devonhurst Place,
Heathfield Terrace,
London, W4 4JD

Date.....14/10/15.....

**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FOR THE YEAR ENDED ON 31 MARCH 2015**

	Notes	Unrestricted Funds	Restricted Funds	2015 Total Funds	2014 Total Funds
		£	£	£	£
Incoming Resources:					
<i>Charitable activities</i>					
Trust for London		-	36,000	36,000	36,000
Oak Foundation		-	47,916	47,916	-
Tudor Trust		-	35,000	35,000	35,000
Royal Borough of Kensington & Chelsea		-	12,000	12,000	7,200
Barrow Cadbury Trust		-	38,250	38,250	29,000
Esmee Fairbairn CT		-	-	-	48,000
ATMG		-	1,500	1,500	1,000
The Henry Smith Charity		-	25,000	25,000	-
Lloyds Bank Foundation		-	20,000	20,000	-
Bromley Trust		10,000	-	10,000	10,000
<i>Voluntary Income</i>					
Fundraising / Donations etc	11	6,906	-	6,906	16,546
Clients Money		-	-	-	66
Membership		-	-	-	134
<i>Investment Income</i>					
Bank Interest	2	225	-	225	170
Total Incoming Resources		17,131	215,666	232,797	183,116

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED ON 31 MARCH 2015 (CONTINUED)**

	Notes	Unrestricted Funds £	Restricted Funds £	2015 Total Funds £	2014 Total Funds £
Resources Expended					
<i>Charitable Activities</i>					
Salaries / ENIC / Pension		9,018	129,713	138,731	134,523
Child Care Vouchers (salary sacrifice)		3,841	-	3,841	3,400
Staff Travel		-	422	422	434
Staff Development / Training		480	2,827	3,307	943
English Classes		-	7,204	7,204	7,991
Other Client Support		-	844	844	1,021
Emergency Fund / Accommodation		-	780	780	320
Volunteers' Expenses		45	487	532	647
Premises Costs		6,436	22,803	29,239	31,878
Equipment Repairs & Build Maintenance		320	1,556	1,876	861
Stationery / Postage / Photocopying		500	3,531	4,031	5,507
Subscriptions / Memberships etc		55	131	186	105
Telephone / Fax / Internet		562	2,480	3,042	2,964
Sundry Expenses		-	23	23	13
Campaigning/Advocacy		-	-	-	118
Insurance		50	162	212	1,072
Cost of Generating Funds		90	126	216	216
Depreciation		759	769	1,528	1,278
<i>Governance Costs</i>					
Management Committee Expenses		80	120	200	327
Bank Charges		6	2	8	35
Accountancy/Legal fees		265	603	868	987
Independent Examiner fee		2,340	-	2,340	3,200
Total Resources Expended		24,847	174,583	199,430	197,840
Net incoming (outgoing) resources					
For the year		(7,716)	41,083	33,367	(14,724)
Other income		-	-	-	-
Transfers between Funds		-	-	-	-
Balance Brought Forward at 1 April 2014		84,304	2,767	87,071	101,795
Balance carried forward at 31 March 2015		76,588	43,850	120,438	87,071


**KALAYAAN
JUSTICE FOR MIGRANT DOMESTIC WORKERS**

**BALANCE SHEET
AS AT 31 MARCH 2015**

	Notes	2015 £	2014 £
NET Fixed Assets	4	5,675	3,203
Current Assets:			
Debtors	5	9,000	9,000
Cash at bank and in hand		108,877	80,293
		<u>117,877</u>	<u>89,293</u>
Liabilities:			
(Amounts falling due within one year)	6	(3,114)	(5,425)
		<u>114,763</u>	<u>83,868</u>
Net Current Assets		114,763	83,868
		<u>120,438</u>	<u>87,071</u>
NET ASSETS:		120,438	87,071
		<u>120,438</u>	<u>87,071</u>
Funds:			
Unrestricted funds:			
General		76,588	84,304
Restricted funds:	7	43,850	2,767
		<u>120,438</u>	<u>87,071</u>
	10	120,438	87,071
		<u>120,438</u>	<u>87,071</u>

For the year ended 31 March 2015, 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 16 September 2015 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 2015**

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 2015**

2. Interest receivable and similar income

	2015	2014
	£	£
Bank interest	225	170
	===	=====

	2015	2014
	£	£
3. Independent Examiner's Remuneration	2,340	2,280
	=====	=====

4. Tangible Fixed Assets

	Computer Equipment	Fixtures, fittings & equipment	Total
Cost			
at 1 April 2014	3,575	1,538	5,113
Additions	4,000	-	4,000
Disposals	-	-	-
At 31 March 2015	7,575	1,538	9,113
Depreciation			
at 1 April 2014	1,368	542	1,910
Charge for the year	1,144	384	1,528
At 31 March 2015	2,512	926	3,438
Net book value			
at 31 March 2015	5,063	612	5,675
at 31 March 2014	2,207	996	3,203

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**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED ON 31 MARCH 2015**

5. Debtors / Prepayments

	2015	2014
	£	£
Trust for London	9,000	9,000
	=====	=====
	<u>9,000</u>	<u>9,000</u>

6. Liabilities: amounts falling due within one year

	2015	2014
	£	£
Accruals		
Independent Examination 2012/13	-	2,400
Independent Examination 2013/14	-	2,400
Independent Examination 2014/15	2,340	-
Financial Support from Accountants	-	378
Pensions	774	-
Client Funds	-	247
	=====	=====
	<u>3,114</u>	<u>5,425</u>

7. Restricted funds - breakdown:

Funders/ Projects	Balance B/fwd	Incoming resources	Resources Expended	Transfers	Balance C/fwd
Trust for London	1,861	36,000	(27,722)	-	10,139
Clients' Fund	2,995	-	(1,427)	-	1,568
Esmee Fairbairn CT	284	-	(111)	-	173
Oak Foundation	-	47,916	(47,038)	-	878
ATMG	5	1,500	(1,500)	-	5
RB Kensington & Chelsea	(2,451)	12,000	(9,141)	-	408
Barrow Cadbury Trust	53	38,250	(30,382)	-	7,921
Tudor Trust	20	35,000	(32,226)	-	2,794
Lloyds Bank Foundation	-	20,000	(12,221)	-	7,779
Henry Smith Charity	-	25,000	(12,815)	-	12,185
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	2,767	215,666	(174,583)	-	43,850

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**NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED ON 31 MARCH 2015**

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:	2015	2014
	4	4
Employment costs:	2015	2014
Wages and salaries	92,767	85,807
Social security	39,941	44,572
Other pension costs	<u>6,023</u>	<u>7,544</u>
	138,731	137,923
	=====	=====

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	5,675	-	5,675
Current assets	74,027	43,850	117,877
Creditors: amounts falling Due within one year	<u>(3,114)</u>	<u>-</u>	<u>(3,114)</u>
	<u>76,588</u>	<u>43,850</u>	<u>120,438</u>

11. Voluntary income for the year was reduced by £4,717 to adjust for double counting in previous years.