



Khulisa

**Report and Financial Statements
For the year ended
31 March 2014**

**Charity number:
England: 1120562
Company number: 6210432**

KHULISA
(A company limited by guarantee)

**Report and Financial Statements
For the year ended 31 March 2014**

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**KHULISA
TRUSTEES' REPORT
For the year ended 31 March 2014**

Reference and Administrative Information

Charity registration number: England and Wales: 1120562

Company registration number: 6210432

Registered office address: 147 Petersham Road
Richmond
Surrey
TW10 7AH

Principal office address: Wells House
Unit 7, 5 – 7 Wells Terrace
Finsbury Park
London
N4 3JU

Board of Trustees

J R K Peile	Resigned December 13
P J R White	Resigned December 13
R G McGrath	
J S Huggett	Chair
M Illic	
P B Babudu	
S G Pickles	Treasurer
S Miah	Appointed March 14

Auditors

Myrus Smith Chartered Accountants, Norman House, 8 Burnell Road, Sutton, Surrey, SM1 4BW

Bankers

Lloyds TSB PLC, 19-21 The Quadrant, Richmond, TW9 1BP

**KHULISA
TRUSTEES' REPORT
For the year ended 31 March 2014**

Structure & Governance

Khulisa is a registered charity in England the Wales and company limited by guarantee. We were incorporated in 2007. Having originated in South Africa, Khulisa brings new dynamism and unique models of social impact to the criminal and social justice sectors. Programmes tested in extremely fragile and challenging social/financial environments have provided innovative and effective solutions to addressing crime and violence in the UK.

We draw on the rich heritage and learning of our sister charity, Khulisa Social Solutions of South Africa, who have a 16-year track record impacting over one million people. They received a United Nations Office of Drugs & Crime Award in 2006 for being a "best-practice model [of] 'transformational social impact'" and our UK model has been adapted from their experience in some of South Africa's most violent and disadvantaged communities.

As at March 31, 2014 Khulisa has a Board of Trustees with 6 current members: Peter Babudu, Jon Huggett (Chair), Matija Ilic, Rosanda McGrath; Shajan Miah and Stuart Pickles.

Trustees are recruited through an open and transparent process and can be elected by a majority vote of the Trustees at any regular meeting. Trustees are appointed for a 3-year term with a limit of 2 consecutive terms served.

Khulisa has approximately 30 members who are invited to attend our AGM, usually held in December each year.

As of March 31, 2014, Khulisa had 8 staff members (full and a part-time) based in London, Manchester and Hampshire. Programme delivery is managed by staff and run locally by a roster of 20+ free-lance facilitators who are trained in our programme methodologies and curriculum and live close to our delivery locations.

Khulisa has a cohort of 40-50 volunteers, most of whom are mentors on our *Milestones* programme.

Reserves Policy

The Trustees have decided on the level of reserves that the charity ought to have. Unrestricted funds are needed to:

- Provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice and
- To cover administration, fundraising and support costs without which the charity could not function

The Trustees consider that, as a medium term goal, it would be prudent that unrestricted funds should be sufficient to cover:

- 3 months administration, fundraising and support costs
- Provide a pool equal to 10% of the average charitable expenditure over the preceding years from which funds can be designated to specific projects and meet our contractual obligations

The organisation's current target is to create a reserve fund of £60,000.

**KHULISA
TRUSTEES' REPORT CONTINUED
For the year ended 31 March 2014**

Meeting the Public Benefits Requirements of the Charities Act 2011

Khulisa's mission is to break the cycle of crime and violence by helping people to change their lives. Our vision is that we all face as little crime and violence as those in our safest towns.

We believe that the public benefits we deliver are:

- Providing offenders, ex-offenders and young people at risk of social exclusion with programmes and supports that help them in their rehabilitation, desistance from crime and violence, and (re)integration into their families and communities
- Improving the life chances and future prospects of offenders, ex-offenders and young people at risk of social exclusion
- Reducing violence and aggression in prisons, schools and communities
- Reducing victimisation – especially victims of violence
- Cutting crime

In reviewing Khulisa's aims and objectives as outlined in our 2012-2015 Strategic Plan, the Trustees paid due regard to the Charity Commission's guidance on public benefit to inform what activities the charity should undertake.

Management Objectives & Activities

Our **Mission** is to break the cycle of crime and violence by helping people to change their lives.

Our **Vision** is that we all face as little crime and violence as those in our safest towns.

Our **Values** are:

- We Guide: by restoring empathy, self-belief and self-worth
- We Heal: individuals (perpetrators and victims) and communities
- We Nurture: by believing all people can grow

Our Single Objective is to cut crime.

Our Programmes

We offer unique, powerful and innovative behaviour-change programmes and structured interventions for offenders and young people. We aim to empower individuals with the skills and understanding they need to develop their own alternatives to violence, desist from crime, improve their futures and build stronger and safer communities. We have a strong grounding in restorative practice as well as therapeutic approaches to desistance. Through this work we foster empathy, personal regeneration, motivation and aspiration.

**KHULISA
TRUSTEES' REPORT CONTINUED
For the year ended 31 March 2014**

Financial Review

Unrestricted reserves at 31st March exceeded Khulisa's reserves target of £60,000. Net incoming resources of £79,473 was comprised of £49,922 on unrestricted funds and net incoming resources of £29,551 on restricted funds.

Total income of £530,586 in 2014 represents an increase of £201,240 from 2013. Restricted income was £392,626(2013: £265,750).

The charity received unrestricted grants and donations totalling £103,734 (2013: £1,700). Khulisa is particularly indebted to The Monument Trust for their generous support. Sales and fees amounted to £34,139 (2013: £61,815).

The Balance Sheet at 31 March 2014 showed cash balances of £276,747 (2013: £191,882) and net assets of £258,469 (2013: £178,996). This is represented by unrestricted funds amounting to £91,685 (2013: £41,763) and restricted funds of £166,784 (2013: £137,233).

Statement of Trustees' Responsibilities

The trustees (who are also directors of Khulisa for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

For the year ended 31 March 2014

Chief Executive's Report

Introduction

2013-14 was a very exciting year for us and one that saw us grow our programmes in prisons, schools and the community. We took an active part in responding to and planning for the significant changes occurring in the criminal justice sector and worked very hard to attract significant new investment from the Cabinet Office. While this was rewarding and inspiring for our staff, associates and volunteers it wasn't without its challenges, most notably the disruptions impacting on our service delivery and the increased needs of our participants.

We are also pleased that our generous funders continued to believe in our work and the impact it has on individuals, their families and communities.

As Jon outlines in his letter, our objectives for the year were to: embed and expand our services in prisons, schools and the community; build our partnership working and continue to develop innovative programmes for the criminal and social justice sectors. This report touches on each in order.

Achievements

1. Embed our services to meet priority needs in rehabilitation and violence-reduction strategies through a sustainable model:

- With Monument Trust, Wates Foundation and the Cabinet Office's *Investment & Contract Readiness Fund* support we were able to further integrate our two main programmes, *Silence the Violence* and *Milestones* mentoring, in to a seamless offender journey
- We believe we now have a highly effective model of the "through the prison gate resettlement service" being sought by the MoJ under their *Transforming Rehabilitation* strategy
- We secured a two-year £250,000 grant from the Office of Civil Society's *Rehabilitation Social Action Fund* to expand and develop the above model at HMP Isis, HMP Wormwood Scrubs, HMP Forest Bank and with the probation service
- Gained support from the Rank Foundation and a renewed grant from the Maria Marina Foundation to develop our work in schools
- Engaged over 200 offenders and at-risk youth on our intensive programmes with over 151 completing relevant sessions (due to the challenges running interventions in prisons highlighted below, most of our programmes were running at about 60% capacity)
- Achieved a 34% reoffending rate for repeat and violent offenders at HMP Forest Bank
- An independent evaluation in August 2013 of our *Face It* programmes (available upon request or via our website) showed:
 - 98% programme impact on behaviour change with 57% demonstrating "significant improvement"
 - 91% retention rate, with 7 out of 10 programmes having 100% retention
 - Successfully piloted the programme as an intensive residential model
 - Successfully tested *Face It* to work with young girls affected by gang and/or sexual violence
- *Silence the Violence/Face It* is now listed on the Youth Justice Board's Library of Effective Practice.
- We also did our best to pursue opportunities under the *Transforming Rehabilitation* agenda. We know that we are named on several tenders submitted to the MoJ (in June 2014). More will be known when the Prime contracts are announced in the autumn of 2014.

2. Build our partnership delivery with like-minded charities and service providers that better meet the diverse needs of our participants, their families and communities:

- We continued to map the connection between our programmes and that of Leap Confronting Conflict, although no concrete delivery opportunities arose
- We prepared a joint bid to NOMS with Safe Ground which we made a mutual agreement to pull due to concerns over NOMS' possible appropriation of our intellectual property (concerns shared with Clinks and Cabinet Office)
- We participated in the Kaizen Partnership professional training on improving the engagement of participants
- We developed a formal Memorandum of Understanding between Khulisa, the Centre for Justice Innovation, New Economics Foundation and Ryse. Khulisa's Chief Executive also took up a Board role with the Centre for Justice Innovation
- Drafted an integrated model of systemic/community restorative justice that maps together partnership work
- Shared programme design and outcome measures with other organisations such as Lift, Wormwood Scrubs Community Chaplaincy, Trailblazers, Kainos Community (now part of Langley House Trust), The Horse Course, the Foyer Federation, Hackney City & Mind, Free the Children, Kids Company and others
- We are also founding members of the Women & Girls at Risk Alliance, looking at how we can both embed a "trauma-informed" approach in our own work and training others to do the same

3. Develop and promote an integrative approach to community safety, reconciliation and violence reduction that helps preserve and develop existing community infrastructure by showing "what it looks like when its fixed" in low-resourced environments:

- We commissioned Dr. Theo Gavrielides to research the differences in the development and application of Restorative Justice in South Africa and the UK, using Khulisa Social Solutions as a South African case study and basis for his recommendations. (Report available on our website or by request).
- Carried out a 6 month research, training and scoping exercise on the prevalence and practice of restorative justice (Family Group Conferencing, Victim/Offender Mediation, diversion practices, Neighbourhood Justice panels, etc...) in England and Wales. This included:
 - Training and development with Restorative Solutions, CALM Mediation, IARS/RJ4All, Dr. Belinda Hopkins and Restorative Justice Council
 - Supporting Monmouth County restorative schools steering group
 - Process mapping for the Swindon Neighbourhood Justice Panel
 - Literature review, practitioner and policy-maker interviews

Challenges

As noted above, the principle challenges we faced this year were directly related to the reform agendas being driven forward by NOMS and the Ministry of Justice, particularly *Transforming Rehabilitation* (TR) and *Fair & Sustainable*.

Like hundreds of other charities, a huge amount of energy, time, resources and money was expended participating in the TR process. This included attending policy briefing and consultation meetings and market-stewardship events. We also pursued one-to-one opportunities with the Tier 1/Prime providers to present the programmes and services that we could offer under contract to them.

During this process we raised with Clinks, the Cabinet Office and directly to the MoJ the significant concerns we had about the appropriation of intellectual property under the proposed contracts.

**KHULISA
TRUSTEES' REPORT CONTINUED
For the year ended 31 March 2014**

While we benefited from the support of the Cabinet Office's *Investment & Contract Readiness Fund* this was still an expensive and difficult exercise, the financial returns of which are still unknown.

During the year partnership working with probation services in many parts of the country, and London and Hampshire in particular for us, had become more and more difficult. Sustained, positive contact with the Offender Managers/Supervisors involved with our participants was increasingly hard, staff changes were constant and securing adequate referrals on to our programmes close to impossible.

At the same time, other reforms put prisons under many of these same stresses. Offender Management Units seemed less and less able to make adequate referrals – with case files not up to date and accurate data for selection unavailable. Increasingly we had to do all of the outreach, recruitment, selection and risk-assessment of participants.

As noted above, most of our prison-based programmes ran at 60% capacity due to a lack of eligible participants being put forward.

Staff shortages resulted in prisoners not let out of their cells to attend our programmes, officers unavailable to open up classrooms and regime restrictions making our delivery difficult and, at times, impossible. Staff members have had to have one-to-one conversations with prisoners by shouting through a locked cell door.

While we generally coped with these difficulties and challenges, often laughing them off at team meetings in the Khulisa office, what it did do, however, is increase our cost of delivery. We had to build in more staff time, along with contingencies due to unexpected changes or obstacles, to deliver an effective service to our participants.

Conclusion

2013-14 continued to see Khulisa grow and succeed both programmatically and financially. We worked more intensively, for longer and with greater impact on our participants than ever before. We secured new investment in our work and further enhanced our reputation as a "thought leader" and innovator in the sector. And we developed deeper and stronger partnerships with like-minded organizations that better served our participants and positioned us for joint work in the future.

Our success is down to the passionate professionals who make up the Khulisa "family": our staff, associates, volunteers and Trustees.

Thank you.



**Simon Fulford
Chief Executive**

**KHULISA
TRUSTEES' REPORT CONTINUED
For the year ended 31 March 2014**

Chair's Report

This year we are proud to have expanded our work to several new locations, while developing partnerships with like-minded community organisations. We feel that we are part of a group of organisations looking at what they can fix, improve and build on, amidst the changes from the government's *Transforming Rehabilitation* and *Fair & Sustainable* agendas.

Our three main objectives for the year were to:

1. Embed our existing services in rehabilitation and violence-reduction strategies into a sustainable model
2. Deliver in partnership with like-minded charities and service providers that meet the needs of our participants, their families and communities
3. Develop and promote an integrative approach to community safety, reconciliation and violence reduction in low-resource environments.

I'm happy to report that we have made good progress against each objective. For our services, we have received considerable support – both human and financial. We've been excited to work with some outstanding partners. And we have been able to explore a new approach to reducing violence with the learning on restorative justice from our sister organization in South Africa. Our Chief Executive, Simon Fulford, details in his report the accomplishments of his team.

It is a pleasure to thank, also, our supporters. We could not have made it this far without the backing from the Cabinet Office, Monument Trust, Henry Smith Charity, Maria Marina Foundation, Dulverton Trust, Evan Cornish Foundation, Rank Foundation, The Wates Foundation, The City Bridge Trust, HMP/YOI Isis, HMP Forest Bank / Sodexo Justice Services, The London Borough of Waltham Forest, EC Harris, and a number of individual donors, too.

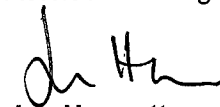
And, we are very grateful to be able to work with a number of organizations in a variety of ways, but in particular Leap Confronting Conflict, Catalyst in Communities, Caritas Anchor House, Numbers 4 Good, PKF Littlejohn, Bates Wells Braithwaite, Project Oracle, Clinks, Lemos & Crane, the Centre for Justice Innovation, Unleashing Potential, Wormwood Scrubs Community Chaplaincy, Only Connect, the Restorative Justice For 4 All Institute and Bolton at Home (Bolton Council).

This coming year we will build on the foundations established since Khulisa's foundation in the UK in 2007:

- Gaining new contracts to deliver *Silence the Violence*, *Milestones* and our *Resilience, Resettlement, Desistance* model in more prisons and communities
- Delivering joint projects with key strategic partners (e.g.?)
- Developing, field-testing and disseminating our restorative justice model.

We are looking forward to 2015, and beyond, and hope you can join us on the journey.

This report has been prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies.



**Jon Huggett
Chair**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:
KHULISA
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)**

We have audited the financial statements of Khulisa for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.


**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:
KHULISA
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Annual Report.

8 Burnell Road
Norman House
Sutton, Surrey,
SM1 4BW


KC Fisher (Senior Statutory Auditor)
for and on behalf of MYRUS SMITH
Chartered Accountants and
Statutory Auditor

15 September 2014

Note:

The maintenance and integrity of the Khulisa UK website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

KHULISA

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
For the year ending 31 March 2014

	Notes	Unrestricted Funds £	Restricted Funds £	2014 Total Funds £	2013 Total Funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary Income					
Donations and grants		103,734	-	103,734	1,700
Investment Income					
Bank interest		87	-	87	81
Incoming resources from charitable activities					
Grants		-	392,626	392,626	265,750
Sales and Fees		34,139	-	34,139	61,815
TOTAL INCOMING RESOURCES	2	137,960	392,626	530,586	329,346
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising and Publicity		33,957	-	33,957	26,788
Charitable activities	3	43,483	363,075	406,558	355,841
Governance costs	4	10,598	-	10,598	2,030
TOTAL RESOURCES EXPENDED	5	88,038	363,075	451,113	384,659
Net incoming / (outgoing) resources		49,922	29,551	79,473	(55,313)
Gross transfers between funds		-	-	-	-
Net movement in funds for the year		49,922	29,551	79,473	(55,313)
Fund Balance at 1 April 2013		41,763	137,233	178,996	234,309
FUND BALANCE AT 31 MARCH 2014	14	91,685	166,784	258,469	178,996

The accompanying notes form part of these financial statements

KHULISA**BALANCE SHEET**

As at 31 March 2014

	Notes	2014		2013	
		£	£	£	£
FIXED ASSETS	8		-		476
CURRENT ASSETS					
Debtors	9	8,379		3,293	
Cash and bank		<u>276,747</u>		<u>191,882</u>	
		285,126		195,175	
CREDITORS					
Amounts falling due within one year	10	<u>26,657</u>		<u>16,655</u>	
NET CURRENT			<u>258,469</u>		<u>178,520</u>
NET ASSETS			<u>258,469</u>		<u>178,996</u>
Represented by:					
Unrestricted Funds	14		91,685		41,763
Restricted Funds	14		166,784		137,233
			<u>258,469</u>		<u>178,996</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board of Trustees on September 15, 2014.


John Huggett
Chair

The accompanying notes form part of these financial statements

KHULISA
NOTES TO THE FINANCIAL STATEMENTS
For the year ending 31 March 2014

1 ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005), issued in March 2005, the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

a) Capital items & depreciation

Office equipment and fixtures and fittings are depreciated using the straight line method over four years. Other Project assets are depreciated over the life of the project, (normally three years) apart from project assets that are fully grant funded, which are written off in the year of acquisition. Capital items have a minimum purchase cost of £500.

b) Income

Income is received by way of donations, non performance related grants and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.

d) Charitable Activities

All expenditure other than governance costs is allocated to charitable activities. Expenditure is recognised on an accruals basis as soon as there is a legal or constructive obligation committing the charity. Expenditure includes any VAT which cannot be recovered.

e) Restricted Funds

These are the funds that can only be used for a particular stated purpose. Restrictions arise when specified by the donor or when funds are raised for a particular purpose

f) Fund Accounting

Restricted funds are funds subject to specific conditions imposed by the donors, or by appeals for specific projects, and the purpose and use of restricted funds is set out in the notes to the financial statements

Designated funds are unrestricted funds which are set aside for specific purposes at the discretion of the Trustees.

The general fund comprises the accumulated surpluses on the SOFA less any funds designated for specific purposes by the Trustees.

KHULISA
NOTES TO THE FINANCIAL STATEMENTS
For the year ending 31 March 2014

2 INCOME	Unrestricted	Restricted	Total	Total
	funds	funds	2014	2013
	£	£	£	£
Sales	34,139	-	34,139	61,815
Donations and Grants	103,734	-	103,734	1,700
Milestones	-	55,000	55,000	105,000
Face It	-	75,000	75,000	88,000
Self Referral	-	30,000	30,000	-
My Square Mile	-	-	-	60,000
ICRF	-	109,952	109,952	-
Enough is Enough	-	16,961	16,961	-
Rehabilitation Social Action Fund	-	95,713	95,713	-
Enterprise LT Vodafone	-	-	-	2,750
STV Prison Delivery	-	10,000	10,000	10,000
Interest Earned	87	-	87	81
	137,960	392,626	530,586	329,346

3 COSTS OF CHARITABLE ACTIVITIES	Unrestricted	Restricted	Total	Total
	funds	funds	2014	2013
	£	£	£	£
Milestones	-	57,410	57,410	110,398
Face It	-	52,793	52,793	88,300
Self Referral	-	24,709	24,709	-
My Square Mile	-	41,862	41,862	52,338
ICRF	-	81,036	81,036	-
Enough is Enough	-	12,612	12,612	-
Rehabilitation Social Action Fund	-	87,517	87,517	-
Enterprise LT Vodafone	-	2,750	2,750	-
STV Prison Delivery	-	2,386	2,386	10,000
Programme Delivery	43,483	-	43,483	94,805
	43,483	363,075	406,558	355,841

KHULISA
NOTES TO THE FINANCIAL STATEMENTS
For the year ending 31 March 2014

	Unrestricted funds	Restricted funds	Total 2014	Total 2013
	£	£	£	£
4 GOVERNANCE COSTS				
Staffing	7,168	-	7,168	-
Audit, professional & committee fees	3,430	-	3,430	2,030
	<u>10,598</u>	<u>-</u>	<u>10,598</u>	<u>2,030</u>

**5 TOTAL RESOURCES
EXPENDED**

	Charitable Activities	Fundraising Costs	Governance Costs	Total 2014	Total 2013
	£	£	£	£	£
HR & Recruitment	6,154	-	-	6,154	1,512
Accounting & Payroll	9,674	-	-	9,674	6,685
Premises Costs	12,228	-	-	12,228	10,626
Office & IT Costs	11,161	-	-	11,161	13,208
Professional Fees & Committee Expenses	62,027	5,283	3,430	70,740	2,705
Facilitator Costs	58,373	-	-	58,373	93,019
Other Direct Programme Costs	21,901	-	-	21,901	20,226
Programme Development	26,350	-	-	26,350	15,841
Programme Assessment & Evaluation	26,838	-	-	26,838	9,899
Staffing Costs	171,852	28,674	7,168	207,694	210,938
TOTAL	<u>406,558</u>	<u>33,957</u>	<u>10,598</u>	<u>451,113</u>	<u>384,659</u>

KHULISA
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2014

6 NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2014	2013
	£	£
Depreciation	476	476
Audit fees	2,326	2,270

7 TOTAL STAFF COSTS

	2014	2013
Salaries	189,482	186,093
Employer's National Insurance	18,212	19,052
	<u>207,694</u>	<u>205,145</u>

Details of employees who received emoluments in excess of £60,000 were as follows:

	2014	2013
	No.	No.
£60,000 - £70,000	1	1

The number of staff (average full time equivalents) during the year:

	2014	2013
Number of staff	5.5	6
	<u>5.5</u>	<u>6</u>

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8 FIXED ASSETS

	General Assets	Project Assets	2014	2013
Cost				
At 1 April 2013	1,904	-	1,904	1,904
Disposals in year	-	-	-	-
Additions in year	-	-	-	-
At 31 March 2014	<u>1,904</u>	<u>-</u>	<u>1,904</u>	<u>1,904</u>
Depreciation				
At 1 April 2013	1,428	-	1,428	952
Charge for the year	476	-	476	476
Eliminated on disposal	-	-	-	-
At 31 March 2014	<u>1,904</u>	<u>-</u>	<u>1,904</u>	<u>1,428</u>
Net book values at 31 March 2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>476</u>

9 DEBTORS

	2014	2013
	£	£
Trade debtors	8,379	3,293
	<u>8,379</u>	<u>3,293</u>

10 CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade Creditors	11,056	7,137
Social security and other taxes	6,092	6,058
Other creditors	-	790
Accruals and deferred income	9,509	2,670
	<u>26,657</u>	<u>16,655</u>

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11 TRUSTEES EXPENSES

No trustee received remuneration in 2013-14 or 2012-13. The total cost of Board activity totaled £1,104 for the year, of which £184 was reimbursed to two trustees in 2013-14, and £75 to two trustees in 2012-13.

12 TAXATION

No Corporation Tax has been provided in these financial statements because the company, a registered charity is within the exemption granted by sections 466 to 493 of the Corporation Tax Act 2010.

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For the year ended 31 March 2014

13 FUNDS STATEMENT	Opening Balance 1 Apr 2013	Income	Expenditure	Reallocation between funds	Balance 31 Mar 2014
	£	£	£	£	£
RESTRICTED FUNDS					
Milestones	19,934	55,000	57,410	-	17,524
Face It	62,055	75,000	52,793	-	84,262
Self Referral	-	30,000	24,709	-	5,291
My Square Mile	52,494	-	41,862	-	10,632
ICRF	-	109,952	81,036	-	28,916
Enough is Enough	-	16,961	12,612	-	4,349
Rehabilitation Social Action Fund	-	95,713	87,517	-	8,196
Enterprise LT Vodafone	2,750	-	2,750	-	-
STV Prison Delivery	-	10,000	2,386	-	7,614
Total Restricted Funds	137,233	392,626	363,075	-	166,784
UNRESTRICTED FUNDS					
General fund	41,763	137,960	88,038	-	91,685
Designated funds	-	-	-	-	-
Total Unrestricted Funds	41,763	137,960	88,038	-	91,685
Total Project Funds	178,996	530,586	451,113	-	258,469

Details relating to the funds listed above can be found in the Trustees' Report.

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14 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	2014 Unrestricted £	2014 Restricted £	2014 Total £	2013 Total £
Fixed assets				
Tangible fixed assets	-	-	-	476
Current assets				
Debtors	8,379	-	8,379	3,293
Cash and bank	95,545	181,202	276,747	191,882
	103,924	181,202	285,126	195,175
Liabilities				
Creditors falling due within one year	12,239	14,418	26,657	16,655
	12,239	14,418	26,657	16,655
Net assets	91,685	166,784	258,469	178,996

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15 SUPPORTERS AND DONORS

Everyone involved in all of Khulisa's projects would like to thank all those who have supported our work in 2014.

	Unrestricted Funds	Restricted Funds	2014 Total Funds
	£	£	£
Trusts and Foundations			
Monument Trust	100,000	-	100,000
Monument Trust	-	55,000	55,000
City Bridge Trust	-	30,000	30,000
Rank Foundation	-	35,000	35,000
Maria Marina Foundation	-	40,000	40,000
Wates Foundation	-	10,000	10,000
 Statutory Funding			
Cabinet Office- RSAF	-	95,713	95,713
London Borough of Waltham Forest	-	16,961	16,961
Cabinet Office- ICRF	-	109,952	109,952
Donations	3,734	-	3,734
	<u>103,734</u>	<u>392,626</u>	<u>496,360</u>