

Inspiring and enabling children to change their world

## Paper Boat

(A Company Limited by Guarantee)

*A world that unlocks the infinite potential of every child.*



### Director's Annual Report Unaudited Financial Statements For the Year Ended 5<sup>th</sup> April 2021

Company registration number: 02661333

Charity registration number: 1006060

## **The Trustee's welcome and introduction to the 2020-21 Annual Report**

This report highlights some of the unprecedented challenges faced by Paper Boat staff, partners and the communities we serve during the year. It also relates how together, and with your support, we have responded. The challenges have been manifold: with the pandemic restricting almost all our operations, from raising funds to delivery of programmes amidst restrictions in the UK, India and Thailand. We know from reports that the vast majority of UK-based charities have been negatively impacted by the pandemic in some way. The year was characterised by frustration and uncertainty. Like most charities, we have had to adapt and like many, dip into our reserves. But what has not wavered, is our commitment to Paper Boat's charitable purposes, and our continued action in the best interests of those we exist to serve.

Throughout this report, you will read of ways that our core values of Courage, Creativity and Collaboration have been upheld and exemplified this year. In particular, we would like to highlight our Covid response programme where our focus on listening to the communities and how the children we work with coupled with our close working relationship with partners, enabled us to adapt and act quickly as the pandemic took hold. One of the most unique features of this relief effort which reflected our child-centred approach was the creative home learning resource and art materials distributed by CEDAR to more than 1000 children thanks to the generosity of our supporters.

Closer to home, the trustees have renewed hope from the actions we have taken to strengthen our foundations this year. The 2020 AGM held on the 15<sup>th</sup> December 2020 was a landmark AGM where the Charity's membership voted to pass two special resolutions, formally changing the name of the charity to Paper Boat and updating our charitable objects to reflect best practice. We are grateful to our members for supporting these resolutions which will undoubtedly enable us to work most effectively where the need is greatest.

We have also improved our communications through launching a new vibrant website and distributing regular supporter E-newsletters which are reaching a growing international audience. We deepened collaborations, including with One Sky Foundation in Thailand, Wilshire Skyline in the U.S and Caplor Horizons in the UK and India, and began to explore new programme initiatives with international partners. And we deepened our commitment to learning with upscaling our impact research with CEDAR in India.

The saying, "*rough seas make good sailors*" might be apt here, as we applaud the ongoing commitment of both our staff and our partners who have made great personal sacrifices and contributions and adapted and achieved beyond what could reasonably be expected this year. We are truly grateful for your courage and dedication.

Trustee Justin Segrave-Daly resigned during the year and our thanks go to him for generously contributing his time and valuable expertise during his tenure on the Board. The safeguarding of children remains at the heart of our approach and our thanks also go to Jim Dyson, who continues in his role as Safeguarding advisor at Paper Boat.

Our heartfelt thanks also go to all of you who continue to contribute to our cause. The security afforded by your regular contributions has enabled us to chart a course through an extremely difficult financial year and emerge a going concern. Those who

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remembered us with a gift in wills have left a truly vital legacy this year. The promise of an exceptionally large legacy, that has been realised outside of this reporting period, has given us confidence to invest in the future of Paper Boat and renewed optimism for our future.

As we look ahead, we are encouraged by the foundations laid during the year and the seeds of new, child-centred initiatives they bring. The world continues to evolve in these strange times, and it is often said that '*Uncertainty is the only certainty*'. This only strengthens our conviction of the relevance of Paper Boat's vision, mission and purpose. And as the call to 'Re-imagine education' continues to reverberate globally there has never been a greater urgency to equip young people with the 21<sup>st</sup> century life-long learning skills of creativity, complex problem solving and critical thinking.

In closing, it is fitting that we turn to the voices of the children who throughout this challenging period have continued to inspire us deeply with their creativity and resilience. We leave you with these words from Neelavathi; they are powerful and have resonated across boundaries. They speak of faith, hope and courage and her journey beyond the horizon as she moves towards her 'infinite potential'

*There is a limit for the sky to stretch,*

*For the crow to fly, there is a range,*

*The tree knows its height,*

*The waves of the sea have their reach.*

*But I know no limits for my efforts,*

*And for developing my capacity.*

We thank you for your continued support,

**Deborah Wetherall, Arun Chinnaraj, Tom Wilkinson, Debbie Stenner**

**December 2021**

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Paper Boat Ltd.

**Legal and Administrative Information**

Charity Name: Paper Boat Ltd.

Charity Registration Number: 1006060

Company Registration Number: 2661333

**Principal Office and Registered Address: 1&3 Kings Meadow, Osney Mead, Oxford, OX2 0DP**

The Trustees/Officers serving during the year and since the year end were as follows:

Mr Justin Segrave-Daly (Resigned February 2021)

Mrs Deborah Wetherall

Mr Arun Chinnaraj

Mr Thomas Wilkinson

Mrs Deborah Stenner Munton (Appointed December 2020)

Mr K J Shaheen (Charity Director and Company Secretary)

**Membership**

The members of the Charity shall be the subscribers to the Memorandum and such other persons as are admitted to membership by the Trustees in accordance with the Articles.

The Trustees may from time to time prescribe criteria for membership but will not be obliged to accept persons fulfilling those criteria as members.

None of the Members has any beneficial interest in the Charity. Every Member of the Charity undertakes to contribute to the assets of the Charity, in the event of the same being wound up, each Member guarantees to contribute to an amount not exceeding £1.

**Professional Advisors**

Independent

Examiner: Mark Jackson FCA, Azets, Ruthlyn House, 90 Lincoln Road Lincoln Road, Peterborough, PE1 2SP

Bankers: Barclays Bank PLC, Church Street, Peterborough, PE1 1EZ  
Virgin Money, 5 Church Street, Peterborough, PE1 1XB

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## **Report of the Trustees for the year ended 5th April 2021**

The Trustees present their Report together with the Unaudited Financial Statements of the Charity for the year ended 5<sup>th</sup> April 2021.

### **Structure, Governance and Management**

The Legal and Administrative Information set out at Page 2 forms part of this report. The Unaudited Financial Statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

Paper Boat Ltd. is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. Charity number 1006060.

### **The Council of Management**

The Directors of the Charitable Company (“the charity”) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees in office during the period and at the date of this report are set out on Page 2. The Articles require that one third of the Trustees retire in rotation and may offer themselves for re-election. The Members of the Charity attending the Annual General Meeting elect Trustees annually.

Trustees are recruited to ensure the Board is balanced and equipped to support the organisation. Most new Trustees are already familiar with the practical work of the charity, they may be offered further induction. All Trustees are given the opportunity of additional training where necessary.

As a Charity accountable to all our donors, we must meet the requirement that our resources are carefully managed, and our legal responsibilities met. We can only achieve our vision as an organisation through skilled and committed people.

Trustees hold ultimate legal responsibility for the Charity and collectively ensure delivery of our objectives, set our strategic direction, and uphold our beliefs as an organisation. The key responsibilities of the Trustees are:

- Development and review of the charity’s performance.
- Setting objectives for the fundraising, including approval of annual budgets.
- Approval of the Annual Report and Financial Statements.
- Identification of and management of risks.
- Appointment of Sub Committees and delegation of powers.
- Monitor compliance with both Company and Charity Law.

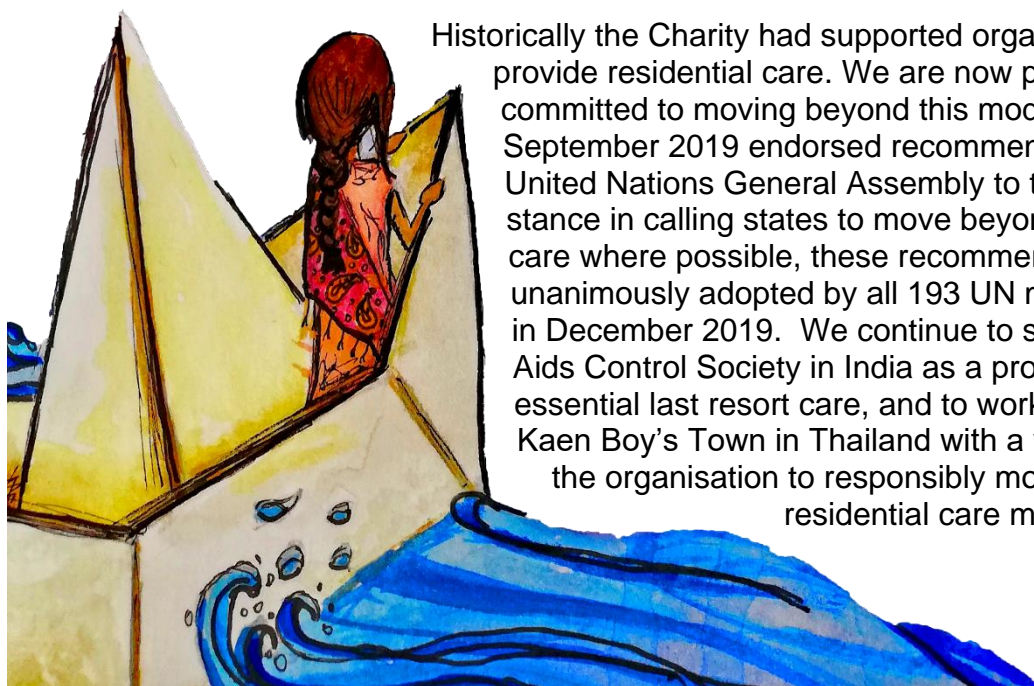
Trustees receive regular reports on all aspects of the work and meet formally at least 4 times a year. They delegate the main day to day decisions to the Charity Director.

All Trustees give of their time freely and no Trustee remuneration was paid in the year.

Paper Boat primarily operates in partnership with local NGOs in Tamil Nadu, India. India is one of the most unequal countries in the world – with the top 1% of the population owning more than 58% of the wealth. Poverty impacts disproportionately on communities that have been most excluded from mainstream society. These communities are much more likely to experience extreme levels of poverty (in both rural and urban contexts) – with statistics suggesting that 43% of all poor people come from these highly marginalised groups. The children that Paper Boat works with are more likely than most to either have never been enrolled in formal schooling or experience disproportionate pressure to drop out. More than 20,000 children from hard to reach and excluded communities in Tamil Nadu have been supported to access education and vocational skills programmes helping them to improve their opportunities in life and live free from child labour.

In February 2020 (during the previous reporting period), the Charity implemented a radical organizational renewal and transformation programme re-launching and re-branding as Paper Boat with a new vision, mission and purpose. Given the success of the rebrand and use of Paper Boat as a working name, on the 15th of December the Charity's membership voted to pass a special resolution at the AGM, formally changing the name of the charity to Paper Boat.

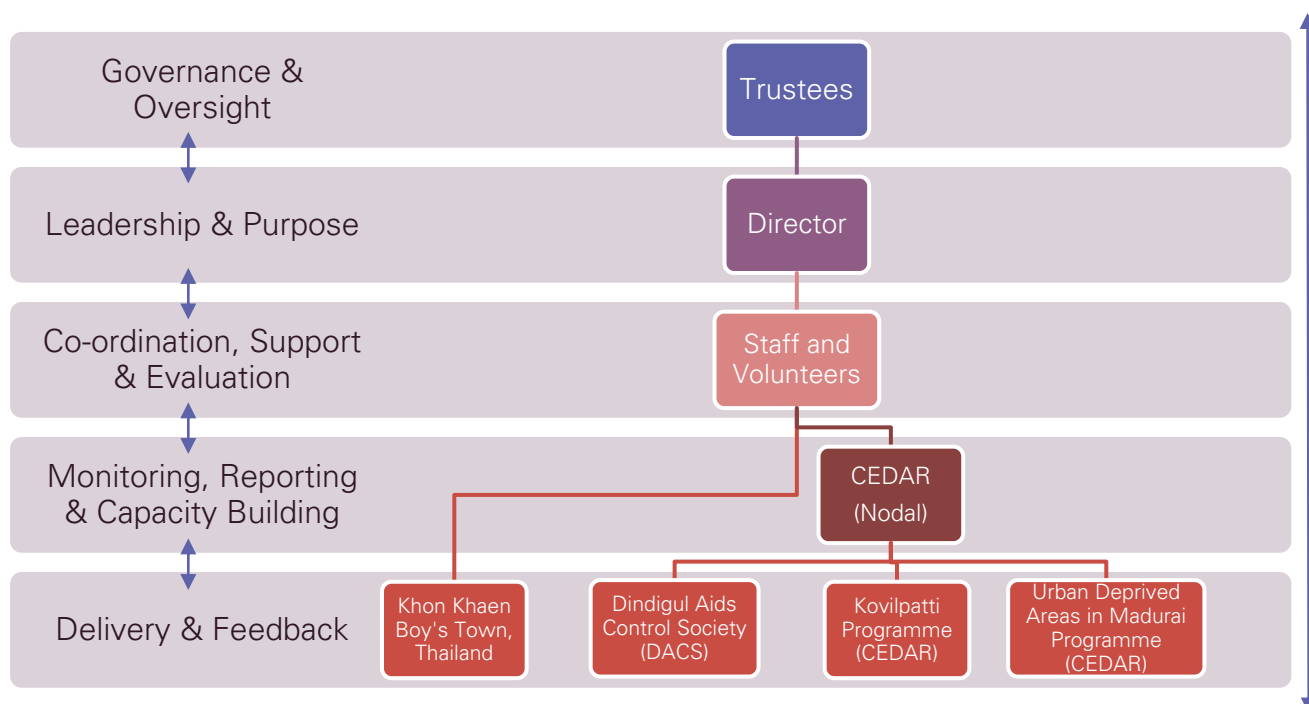
Paper Boat works with local experts and grassroots community-based partners in hard-to-reach communities to inspire and enable children to change their world. At the core of what we do are creative learning spaces called Children's Hubs. Children's Hubs are community-owned spaces where children come to learn and play after school – helping to reinforce and, most importantly, extend what they learn in school. We encourage the use of a variety of 'creative entry points' (such as film making, photography, youth-journalism, art and social drama) so that children at the margins can find and amplify their voice – and so that they can increase their confidence and range of skills.



Historically the Charity had supported organisations that provide residential care. We are now publicly committed to moving beyond this model, and in September 2019 endorsed recommendations for the United Nations General Assembly to take a stronger stance in calling states to move beyond residential care where possible, these recommendations were unanimously adopted by all 193 UN member states in December 2019. We continue to support Dindigul Aids Control Society in India as a provider of essential last resort care, and to work with Khon Kaen Boy's Town in Thailand with a view to support the organisation to responsibly move beyond a residential care model.

## Paper Boat Ltd. Organisational Structure

Paper Boat is UK based with its Headquarters in Oxford, with a permanent Director and one other supporting member of staff.



Since January 2019 our Indian partner Centre for Education Development Action and Research (CEDAR) has been a nodal agency providing a range of additional services including working with relevant statutory bodies and key stakeholders to ensure that all Charity partners meet statutory obligations (such as essential requirements under child protection and safeguarding laws); project monitoring and evaluation and support for building partner capacity in vital areas including leadership, strategy development, governance and fundraising.

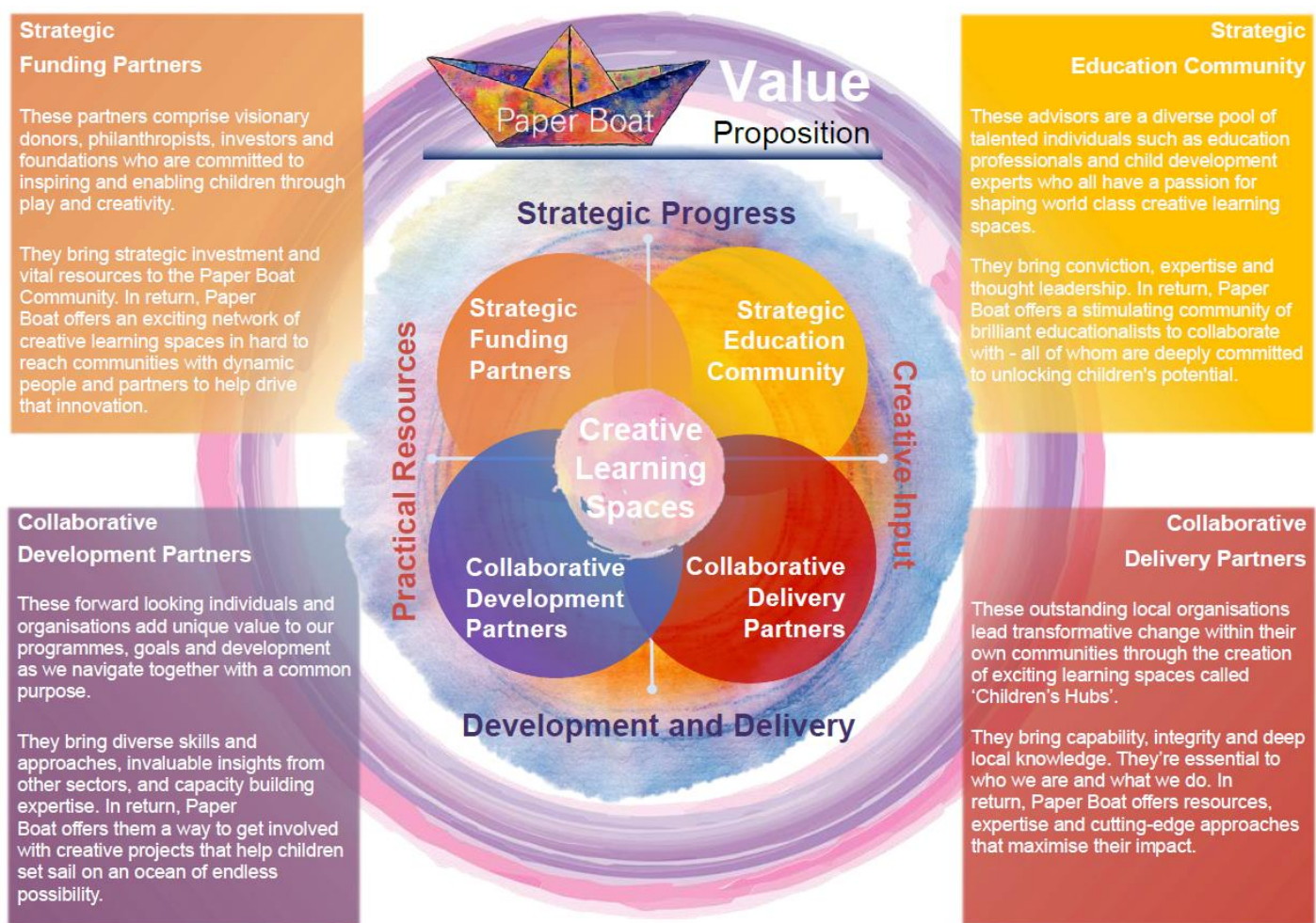
The nodal arrangement is subject to a partnership agreement which is under regular review. In 2020 CEDAR continued in this role, with a reduced scope, as expectations were revised and by necessity limited as COVID-19 travel restrictions that prevented onsite monitoring of other partner organisations.

As of September 29th, 2020 a new law came into effect in India that tightened the Foreign Contribution Regulation Act that governs how non-profits in India can receive foreign funding. The key changes that impact on how grants are made to India are:

- Re-granting relationships are no longer permissible (CEDAR could no longer manage and disperse funds designated to other partners such as DACS)
- State Bank of India (resulting in additional complications for partners).
- Administrative expenses cap was reduced from 50% to 20%



## Paper Boat Ltd. Operating Model/Value Proposition



### Vision, Mission and Objectives

**Our vision:** A world that unlocks the infinite potential of every child.

**Our mission:** To establish playful and creative learning spaces at the heart of communities through innovative partnerships.

**Our purpose:** To listen to young people – inspiring and enabling them to change their world.

**Our values:** Courage: child-centred; Creativity: innovative action; Collaboration: stronger together

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Our approach and strategy are informed by the following principles:

- We meet children's needs where they are, helping to build resilient communities and families
- We have the flexibility and expertise to work with the people and communities where the need is greatest
- We collaborate with the best local partners where problem solving for a better world is a shared responsibility
- We translate specialist knowledge and ground-breaking thinking into community participation and grassroots project delivery
- We accommodate and set best practice – our work can be replicated and taken to scale
- We offer exceptional value for money and can prove it

So that...

- Vulnerable children are brought up in loving families and caring communities
- The most vulnerable children have access to learning that does not just increase their knowledge but feeds their imagination
- The most vulnerable children understand their rights and we help to amplify the quietest voices
- Supporters can directly invest in children's ideas and creative solutions and children at the margins can celebrate and achieve real change within their own communities

The objects and powers of the charity are laid down by its Memorandum and Articles of Association. During the 2020-2021 year these changed to reflect current practice:

#### **New charitable objects**

(Amended by Special Resolution at the AGM on 15<sup>th</sup> December 2020)

*"The prevention or relief of poverty and inequality by advancing formal and informal education as well as developing capacity and skills for people and communities in need anywhere in the world, in particular but not exclusively children and youth, in such a way that they are better able to identify, and help meet, their needs and participate more fully in society for the public benefit"*

Our **strategic focus areas** for the 2018-2021 period:

1) *Creative Learning Spaces for Children*: Utilising available tools, resources and approaches to inspire confidence and enable children to bring creative solutions into their world. Training local leaders to adapt and deliver creative learning programmes in hubs across Tamil Nadu.

2) *Stronger Child-Centric Communities*: Taking affirmative action to promote child rights through our commitment to de-institutionalisation. Working with partner organisations to support families, communities, and children.

3) *Innovative pathways and partnerships*: Enabling direct investment in children's ideas. Translating specialist knowledge and groundbreaking thinking with grassroots project delivery.

The 2018-2021 operational plan highlighted five goals to ensure growth across all three focus areas:



During 2020-2021 plans changed as circumstances and needs evolved as a result of the coronavirus pandemic. Paper Boat needed to move the goalposts in response to the pandemic and reprioritised our five strategic goals. Nevertheless, we would like to highlight some key activities and developments across the five goals.

- Paper Boat's close working relationship with partners enabled us to adapt and act quickly as the pandemic took hold.
- Paper Boat collaborated with One Sky Foundation to engage partners in Thailand regarding options beyond institutional care.
- Paper Boat members voted to a change of charitable objects to formally remove residential care units from the core purposes, reflecting our commitment to community-based approaches.
- Paper Boat launched its new website in August 2021.
- Paper Boat secured its first strategic funding partnership with Wilshire Skyline.
- Paper Boat made significant progress delivering against the fundraising strategy (to lay foundations for change), including the formal change of name and charitable objects, and guiding members and donors through this period of transition.
- Paper Boat laid the foundations to work with Caplor Horizons at a deeper strategic level in the following year, and to explore new programme initiatives in collaboration with Reos Partners.
- Paper Boat deepened our commitment to being a learning organisation by investing in, and supporting, comprehensive baseline research in India.



## **COVID response programme**

The world faced a shock unprecedented in recent history, as the global COVID-19 pandemic claimed the lives, livelihoods, and opportunities of thousands. It became clear that across the world, communities were facing both devastating loss of life, and that the consequences of lockdown would be multi-faceted and long-lasting. Paper Boat focused on who it was that the charity existed to support, and listened to young people to ensure that our priorities throughout the year were driven by the values, and the children, at the heart of Paper Boat.

***"Children are not the face of this pandemic. But they risk being among its biggest victims...This is a universal crisis and, for some children, the impact will be lifelong. Moreover, the harmful effects of this pandemic will not be distributed equally. They are expected to be most damaging for children in the poorest countries, and in the poorest neighbourhoods, and for those in already disadvantaged or vulnerable situations."*** - Introduction to the United Nations Policy Brief [The Impact of COVID-19 on children](#).

As a small organisation we can be fleet of foot and respond to needs as they arise, together with our partners and the support of Paper Boat donors, communities' needs were heard and met through our response to the immediate humanitarian crisis that accompanied the COVID-19 pandemic and lockdown restrictions.



### **Need**

Tamil Nadu was one of the worst affected States in India (second highest number of COVID-19 cases in India after Maharashtra) and some parts, including Madurai, saw very strict and lengthy lockdown restrictions.

During the first lockdown in 2020, Government aid for families in Tamil Nadu was dependent on possession of identity cards, which many living at the margins did not have. Furthermore, around 10% of families in the communities we work with also had **no means of access** to basic dry rations. Families that had received provisions were unable to cope on £12 for three months, and poor-quality food lacking nutrition left children vulnerable to common infections.

Job losses and lockdown restrictions were forcing below poverty line families reliant on low-paid often informal labour to **face the difficult choice** between breaking restrictions to engage in dangerous income generating strategies or remaining at home without any means to obtain the food and basic items needed to support their families. They faced potential violent repercussions as well as increased risk of exposure to the virus.

Field staff received reports of **new instances of child labour** in “secret” match factories in rural communities as young people were forced to support their families following job losses. Children were losing their childhoods and being pushed into work.

Lack of digital access, lower home literacy rates and necessary utilisation of children as a human capital in below poverty line households all perpetuated the **inequality in**

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**education.** Lockdown deepened the educational divide that already existed with partisan classroom practices.

**Long term negative impacts on mental health and emotional wellbeing** will be the greatest on children at the margins. Children at the margins suffered from separation from friends and teachers in cramped conditions, vulnerability to malnutrition and other health risks, and the burden and stress of supporting struggling relatives. Schools were closed across the nation for the entirety of the reporting period, with potentially devastating consequences for the nation.

## Response



### **Humanitarian Relief**

Thanks to generous donations from our supporters during June and July of 2020 1050 vulnerable children and families from 30 villages in Tanjore, Kovilpatti and Madurai were provided with support packages to help them through challenging times.

Support packages contained essential food items including 5kg rice, 1kg wheat flour and 1kg chickpea flour plus vital nutritional supplements and hygiene and sanitary products.

### **Home Learning – art manual**

One of the most unique features of our relief efforts was the creative home learning resource and art materials that were distributed to more than 1,000 children as part of the support packages. Packed with imaginative activities for children to get creative and playful at home whilst schools were closed during lock down, our home learning kit has not only attracted [media attention](#) but was hailed by senior government in Madurai.



*“My name is Kaviyan. I am coming from Kovilpatti. I never understood what is a lockdown. I was very afraid so much of Corona coming. Everyone was telling this [lockdown] would spoil education. CEDAR Resource centre started functioning. Initially, they admitted only four [children] at a time. They used sanitiser, but only four children. Others [children], they [Facilitators] visited their homes and helped. Next, they gave the book [art manual]. Looking into it, we have learnt many things.” – Kaviyan, 11*

Video containing feedback from parents and educators:

<https://www.youtube.com/watch?v=XuOznexXkHE>

## Paper Boat Ltd. **Digital Platform**

Paper Boat utilised available and low-cost digital technologies equipping our partners with two sets of portable interactive digital screens. This was vital for narrowing the digital divide and enabling those at the margins to develop digital skills, and access 'distance learning' platforms, whilst schools in India were closed so that the children we work with were not left further behind.



The United Nations Secretary General António Guterres launched his Policy Brief on Education in a Post COVID-19 world together with the Save Our Future campaign (which Paper Boat officially endorsed) at the beginning of August. In the final lines of his speech he highlighted that *"We have a generational opportunity to reimagine education. We must take bold steps now, to create inclusive, resilient, quality education systems fit for the future."*

Whilst funded as part of our COVID response, this community digital platform will continue to be a vital resource for all children attending hubs even as schools re-open.

### **Inclusive Approach**

*Whole community approach:* CEDAR co-ordinated community task force teams in each community to inform rapid needs assessment and response to the pandemic. These included representatives from Children's Hubs and wrap around structures already formed as part of ongoing programme work to engage the wider community – including Parent's Collectives and Child Rights Monitoring Committees consisting of community leaders and decision makers.



*Listening to silenced voices:* Task-force teams responded to the needs of those ignored by mainstream relief efforts and amplified untold stories. Paper Boat refused to ignore the impact lockdown in India had on children and communities at the margins.

### **How it was funded**

Alongside the generous donations received as part of our fundraising efforts and supporter appeal, Trustees of Paper Boat committed to utilise unrestricted reserve funding given the unprecedented needs in the communities.

**Wider impact of the COVID-19 Pandemic**

**On Programme Delivery**

Community needs dramatically changed, as such, it was recognised that programme delivery would need to be responsive and flexible.

India was under nationwide lockdown from March 24th 2020 onwards.

Children at DACS remained at the home fulltime from January 2020 to beyond the end of the reporting period.

All Children's Hubs (Kovilpatti, Madurai, and Samagra Shiksha Centres) were closed on March 17th 2020.

CEDAR's office was closed from March 23rd 2020 due to Covid -19 outbreak.

Remote working added to strain on staff in India amid concerns for their own families and livelihoods.

Most Hubs re-opened September 2020, however, not all. facilitators or children were able to return

**On Fundraising and Grant making**

Additional funds were utilised from unrestricted reserves resulting in out of budget spending (against a backdrop of other financial challenges).

Despite hub closures, Paper Boat maintained our commitment to partners on a reduced basis - retaining core staff and future operating capacity for partner organisations.

Change in priorities of institutional funders rendered applications in the pipeline no longer eligible for support, whilst at the same time COVID-19 funding streams were oversubscribed.

Paper Boat's transition from a sponsorship model to unrestricted regular giving relied on inviting existing supporters to revisit their giving, and attracting new donors, at a time when many faced financial insecurity due to the pandemic.

**On UK operations**

Paper Boat staff were working remotely from March 2020 till the shared office re-opened on a part-time socially distanced basis from June through to November.

Following the closure of the shared office at the end of January 2021, staff have been working entirely remotely (whilst Paper Boat retains an Oxford mailing address).

Impact on fundraising and grant making (against a backdrop of other financial challenges) necessitated stripping back of UK overheads to bare minimum.

All of the above limited staff capacity to work as effectively as they would under normal circumstances.



## **What we do**

### **Investing in partners and people**

Paper Boat directly facilitated or arranged for the delivery of expert-led capacity building sessions on:

- Hope-based communication
- Embedding feedback and response loops into programming
- Safeguarding for frontline staff
- Safeguarding: thresholding and referral processes for senior staff
- Film-making – building narratives through documentaries in the field
- Implementing due diligence frameworks
- Coaching and mentoring support for individuals
- Moving beyond residential care models
- Understanding the needs of children, families and communities

### **Funding overseas projects**

During the reporting period funds were disbursed to three partner organisations:

1. The Centre for Education Development Action and Research (CEDAR)
2. Dindigul AIDS Control Society
3. The Youth Development Association of Khon Kaen (Boys Town) Thailand.

### **Our Impact in India**

#### **CEDAR (Centre for Education, Development Action and Research):**

Our partner for the last twenty years, CEDAR (Centre for Education, Development Action and Research) is an NGO support organisation based in Madurai assisting projects throughout Tamil Nadu.

#### ***CEDAR Programmes***

The community-based learning projects in Tamil Nadu (Hubs) are spread out in different communities in both rural Kovilpatti (an area where child marriage, child labour, and school drop-out rates are particularly concerning) and urban deprived areas of Madurai. All hubs are open to children of different backgrounds and are located in communities where census data has identified the highest levels of socio-economic deprivation. CEDAR's Children's Hubs are child-centred community owned spaces that utilise creative learning to equip young people with the skills, experience and personal qualities needed for creative problem solving and leading change in their communities. Facilitators from the local community are trained so that they can support young people develop essential learning skills that are foundational for creative problem solving – such as curiosity, imagination, open mindedness and courage (self-belief). In Children's Hubs young people participate in a range of activities that help to nurture these skills – art, sculpture, music, drama, storytelling, filmmaking and photography are all used to stimulate creativity and imagination. Many young people, particularly those on the margins, do not have an opportunity to access these kind of learning experiences in formal school settings.



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**Under incredibly difficult circumstances CEDAR did a fantastic job reaching out to and supporting children and their families.**

### **Setting the context - March 2020**

- At the start of **March 2020** CEDAR were operating **19** Children's Hubs in reaching **788** children from marginalised communities.
- **All Children's Hubs (Kovilpatti, Madurai, and Samagra Shiksha Centres) were closed on March 17th 2020.**
- **CEDAR's office was closed from March 23rd 2020** due to Covid -19 outbreak.
- **India was under nationwide lockdown on March 24th onwards.**
- All schools were closed for the duration of the reporting period and beyond, and no exams were conducted for the whole academic year.

### **April-May 2020:**

Understanding emerging needs

- In light of the changed context, CEDAR revisited their budget for the year and developed new contingency plans given hub closures and the suspension of usual programme activities, which included salary cuts for all core staff.
- The longstanding involvement in the communities and trust that CEDAR have built in marginalised communities over the years, meant that CEDAR were able to listen to the priorities and needs, and understand how the tightening lockdown restrictions were disproportionately impacting these communities.
- The decision was taken to roll out humanitarian relief support for the most needy in the communities, and field staff undertook rapid community needs assessments to determine the response required.
- Subsequently they procured relief materials and special permissions to operate (despite shortages and travel restrictions); developed home learning resources whilst the teams themselves were abiding by strict lockdown measures and working remotely without reliable connectivity; and co-ordinated local distribution teams that involved children, parents, and community leaders.

### **June – July 2020:**

COVID Response Programme rollout

- The relief effort (details above) reached
  - 200 relief kits were distributed to children and families from Kuravar Communities (a very marginalised community that has been unfairly labelled and persecuted as criminal) in Thanjavur.
  - 350 relief kits were distributed to children and families from Madurai (urban deprived areas in which 7 of our hubs were located).
  - 500 relief kits were distributed to children and families from Kovilpatti (rural area with high child labour/school dropout rates in which 12 of our hubs were located).
  - 25 relief kits were distributed to children at DACS (residential care home for children with HIV/AIDS supported by Paper Boat).

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- 60 relief kits were distributed to a local government school in Theni (a region near Madurai with a significant Dalit population).
- The rollout was achieved despite a demanding and challenging environments, including health risks for staff involved, and is a credit to CEDAR's commitment.
- Distribution of relief kits were overseen by local officials, and the home learning art manual gained wider recognition by media and government officials.

### **September 2020:**

Re-opening of Children's Hubs

- It is testimony to how highly regarded CEDAR's work is in the communities that the re-opening of the hubs was led by the children, who approached the local facilitators to request support during the day.
- In consultation with families and community leaders, as soon as it was deemed safe, hubs re-opened, with hubs in both Kovilpatti and Madurai functioning from September with increased opening hours whilst schools remained closed.
- At a time when schools were shut and children were locked out of education, CEDAR did what they could to plug that gap – through the distribution of the home learning resource, extended support for school studies, and procurement of technology to improve access to online and digital learning opportunities.

### **October 2020:**

- In October the community digital platforms were launched in both Madurai and Kovilpatti. These portable units enabled access to external online content, and video modules developed by CEDAR's creative leads that allowed for facilitators to deliver additional workshops whilst the leads were at other locations.
- Four hubs were closed in October 2020 – Ettaiyapuram, Narkalaikottai, Thalavaipuram in Kovilpatti and Panangadi in Madurai. This was mainly due to lack of availability of facilitators due to the pandemic.
- Samagra Shiksha Centres (government school initiatives that previously invited CEDAR to run activity programmes at their sites) at Madurai were not visited for the whole year due to COVID-19 closures.

In **December** creative leads were able to resume programme activities and in-person support to local facilitators in Children's Hubs and developed new content as part of the process.

### **February**

Evaluation work started

- CEDAR committed to being a learning organisation at a time where prioritising learning was difficult, and with support from Paper Boat, developed and trained local facilitators in the delivery of a comprehensive survey (more below).
- 435 children attending Children's Hubs and 195 sets of parents were interviewed during the process.

### **March 2021**

Acknowledging challenges during the period

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- CEDAR staff completed and compiled the initial responses from the survey (baseline data collection) and identified themes to be explored further in subsequent focus group discussions.
- Unfortunately, by the end of March 2021, Koosalipatti I, Viswanathadas Nagar and Valluvar Nagar CRCs were closed because of COVID-19 related pressures.
- As such, by the end of March 2021 we had 4 CRCs in Madurai (150 children) and 6 CRCs in Kovilpatti (253 children) operating, reaching 403 children.

## Where hubs operate...

### *Kovilpatti*



Children's Hubs have been operating in Kovilpatti for approximately 20 years. Kovilpatti is an area renowned for matchstick production. This industry combined with the high prevalence of poverty makes it a region where early school drop-out, child-labour and early marriage of girls have all been issues of major concern. Most of the children reached by Children's Hubs in Kovilpatti are from rural Dalit ("untouchable") families with the mix and

composition of children from different castes within each hub reflecting the broader composition of each village. Under normal circumstances, there are 12 Children's Hubs in Kovilpatti, and each Children's Hub caters for between 35-45 children from socio-economically deprived backgrounds. During 2020-2021 the numbers in attendance fluctuated due to closures and challenges relating to the coronavirus pandemic.

### *Madurai*

In Madurai, a city of just over a million, more than quarter of a million people are living in urban deprived areas ("slums"). Within these areas children and communities face poor infrastructure, informal and unstable incomes, high school drop-out rates and barriers to education, alienation, caste tensions, high crime rates, and prevalent gang and drug culture. Children's Hubs have been operating in Madurai since 2019. Under normal circumstances, there are 5 Children's Hubs in the region, and each Children's Hub caters for up to 40 children from socio-economically deprived backgrounds. During 2020-2021 the numbers in attendance fluctuated due to closures and challenges relating to the coronavirus pandemic.



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## ***First we listen...***

During this reporting period Paper Boat and CEDAR prioritised listening to children and communities and gathering baseline data against which to assess impact and identify future programme priorities.



## **Why it matters**

Paper Boat's purpose is: To listen to young people – inspiring and enabling them to change their world. At the heart of strategic goal one is developing stronger in-country partnerships which requires robust data to evidence. Paper Boat is bound to delivering on our charitable objects, and we can only be assured as a charity that we are doing so if there is evidence that projects on the ground are furthering those objects. The recent COVID-19 outbreak reveals just how important 'rapid innovation and adaptability' is for leading transformative change. Continually listening, learning, and adapting as an organisation is essential to ensure that the best interests of the children and communities are always taken into consideration and our programmes are meaningful.

## **Who we're talking to**

A recent survey was carried out to capture the voices of 195 sets of parents and 435 children (244 girls and 191 boys) attending Children's Hubs run by our partners CEDAR in Tamil Nadu, India. This amounted to 70% of all children registered at hubs and a third of all parents.

## **What we're asking**

Survey (including):

- General profile
- The family context of the children
- The school context
- Children's engagement with the Hub
- Parental response to Hub engagement
- Lockdown and disruption of education
- Lockdown and child labour
- Support received for children and families during the pandemic
- Use/usefulness of home-learning art manual
- Anticipating the new normal: re-opening of schools
- Hopes for the future

Focus group discussions with small groups of children in different communities to gain deeper insights into emerging themes.

Theme 1 - Challenges faced by children during yearlong school closure due to COVID-19 pandemic, including:

- Children making sense of Pandemic and the lockdown
- Problems at home and children's response
- Children's Response to relief kits provided
- Role of Children's Hubs at the time of crisis
- Fears and anxieties of school reopening
- Reflections on the wider impact

## What we're learning

Of the 435 children interviewed...

- **100% of the children are from scheduled, backward or most backward castes** (according to Indian Government guidelines).
- 98% of the children come from families living below (<£70/mo) or just above (>£145/mo) the poverty line.
- 38% of children at hubs in Kovilpatti, and 74% of children attending hubs in Madurai (49% overall) are Dalit.

*As soon as the lockdown came, my father and mother could not go for work. We did not have money even to buy food. We did not know what to do. When it was relaxed, my mother got a call for a job. My mother decided to go for work. But my father did not get a job. He got a job only after some time. Lockdown brought financial problems at home."* Kaviyan (11, M)

*"We are a joint family. So, we were all together. Because of that, for a month, nothing dawned on me. We were jolly. Father was at home. We used to play ludo. A month passed away like that. When the second and third months arrived, [father's] shop could not be opened. No money came in. So, whatever we asked for, father could not buy it for us... Though it didn't affect us initially, as days passed by and as we were unable to buy anything and got confined to the house, it became very stressful."* Gayathri (14, F)

**20% of the children interviewed went for wage work** during the 10-month lockdown between April 2020 and January 2021 to support family income.

38% of those who went for wage work reported suffering from physical exhaustion or fatigue as a result of child-labour.

*Kavitha (13,F) "During the initial days, both my father and mother could not go for work. It was difficult times... That was farm work season. I went to work as a farm labourer. My mother protested and said 'Don't go.'... I went as a farmhand. I could earn only Rs. 5000/- and I gave it to my mother. My mother felt bad, and said 'Why should you go for work at this age?' She was distressed." [As Kavitha says these words, tears swell in her eyes].*

The **biggest worries children reported during the initial COVID-19 lockdown** were:

1. Restrictions to go outside for socializing
2. Unable to meet / play with friends
3. Unable to go to school / Children's Hub
4. Loss of income and economic hardship at home
5. Boredom and fatigue



Children's education was disrupted during COVID, and many relied on CEDAR to access education

- 60% of children interviewed could not access the government online classes
- 96% relied on CEDAR's facilitators to support their use of textbooks sent by their school

*"The schools did not reopen. We were all left at home. We lost touch with our studies. Then Poongodi akka [Hub facilitator] came and told me that the centre is going to function. Then I went there. Then I slowly started studying. Then I started studying as usual. Poongodi akka helped me a lot."* Aravind Kumar (15, M)

*"Initially, I did not understand what lockdown would feel like... They said the schools might reopen after a short while. As it progressed, the school would never reopen...As days passed, we forgot our studies. Books? One had to search for it. We never knew where they lay. Everybody at home said, 'You lost your studies. See how you are going to lose this one year.' Then it struck us, 'Ah we lost our studies. Only when you have your studies [intact] you can do something next. At that time, they gave us a kit from CEDAR... there was that book. There was so much written about drawing. So many other things we came to know from the book. [I will] say now, even if they go for lockdown again, we will refer to this book and use it."*  
Neelavathi (16, F)

#### **Children's Hubs and partners work is valued by parents as well as children**

- 100% of parents interviewed saw an improvement in children's creative talents
- 92% of parents interviewed believed the art focussed approach in hubs had a positive influence on wider school studies (with a further 6% agreeing to an extent)
- More than 85% of parents saw a positive change in the following:
  - Child-parent relationship
  - Child's happiness
  - Child's self-confidence
  - Child's ability to play with others

*"To go without school and studies, and to go without anything even to eat was a big distress. That was very difficult for me. At the same time, this CEDAR resource centre standing by us and giving us relief kit brought happiness."*  
Anu Sri, (8, F)

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### **Dindigul AIDS Control Society (DACS):**

Dindigul AIDS Control Society has been a project partner for 14 years. DACS provide a home and life-saving medical and nutritional support for children living with and affected by HIV/AIDS. Paper Boat are satisfied that DACS continue to maintain high standards and meet Indian Government requirements as a provider of last resort quality residential care. This is because the children are either orphans or have been abandoned by their families and have complex medicals needs that cannot be met in regular foster care environments. In the previous reporting period it was noted that DAC had been recognised as the only institution in the Dindigul District to qualify as a 'Fit Institution'. In January 2021 DACS were recognised by the Govt. of Tamil Nadu once again as the Directorate of Medical and Rural Health Services certified DACS as a Registered Clinical Establishment to provide allopathic system of medicine with 14 beds.

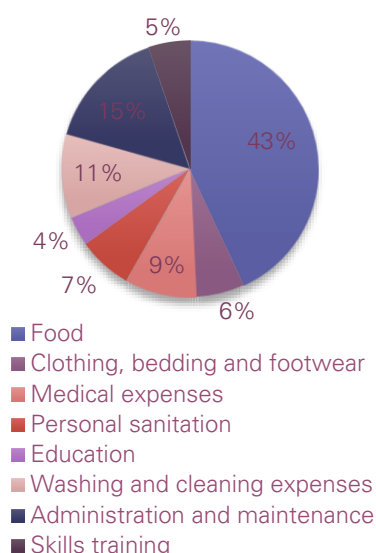


Paper Boat provided £13,371 of grant funding to DACS during the reporting period, £3,463 of which came from restricted donations from supporters

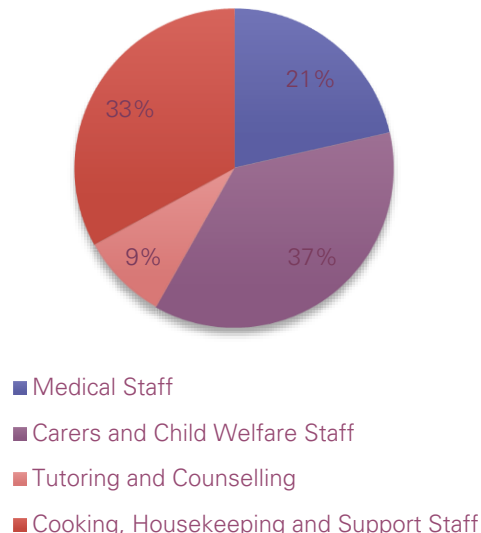
£4670.89 (£141.54 per child\*) enabled DACS to meet the basic needs of the children in care (such as nutrition, health, and hygiene).

£8700.11 (£263.64 per child\*) was spent to employ qualified staff to care for the complex needs faced by the HIV positive youth in the home.

#### **Meeting basic needs and providing opportunities for children**



#### **Qualified and caring adults creating a home for children**



\*Per child calculations based on an average of 33 children supported throughout the 2020-2021 reporting period to take into account the change in numbers by the end of March 2021.

At the start of the year there were 36 children (12 male and 24 female) children in our home. At the end of the year there were 8 male and 22 female children. One female child was newly enrolled in the year and seven children were discharged (of those, two remain supported by DACS as young adults, and five were able to return to their relatives).

### **A year defined by the COVID-19 pandemic...**

During the lockdown in India children did not leave the home, not were visitors allowed. As most of the children are immunocompromised and some have additional medical concerns, hygiene and strict adherence to measures recommend to prevent the spread of the virus were of the utmost importance, with children taught to understand what precautions they could take and why these mattered.



All children at DACS were able to access the government televised lessons and online classes, as well as having access to additional teaching within the home. Furthermore, as part of the nodal arrangement, DACS received 25 home learning manuals and art kits as part of the COVID response.



*"In the middle of January 2020 the coronavirus lockdown began. As schools were shut children have to stay in the Home. They are not permitted to go out of the premises.*

*The extensive time available is being utilized, for the betterment of the children, by teaching lessons, teaching dance, story-telling, drawing and discussing current world affairs. Through videos we are giving much awareness about the coronavirus pandemic. Children have learnt many things about the coronavirus.*

*That gives us courage and hope."*

*– Mr Thankachan,  
Founder and Director at DACS*



**“Rotary Youth Development Association of Khon Kaen (Boys Town) – Thailand:**

This residential project provides onsite accommodation, nutrition, and activities to 25 youngsters from the Northeast Province of Thailand through Secondary and Tertiary education. The project is managed by Members of the Rotary Club of Khon Kaen. For many years it has been reported that the support for this project was unsustainable and would need to be reviewed. Paper Boat has been reviewing partnership and funding models since 2018 including for the Rotary Youth Development Association of Khon Kaen Boy's Town.

As highlighted in the previous year's report, Paper Boat had been working with Jim Dyson (who conducted the safeguarding audits in India in 2018), to ensure a safeguarding review of the project in Thailand. This had been planned and scheduled to take place during a longer staff/Trustee onsite monitoring and partnership review visit – however due to the ongoing coronavirus pandemic and consequent travel restrictions this was not possible. As such, the safeguarding review has been being conducted remotely, with KKBT invited to input information, documents and photographs where appropriate. This approach is slower, but over time is enabling the organizations to build a clearer picture of if and how gaps could be identified and filled, and our respective roles in this process of change.

Paper Boat is committed to supporting vulnerable and marginalized children to access meaningful education opportunities that equip them with the skills and confidence to thrive, and aim to work with partners, both historical and new, that share that belief and can deliver programmes in keeping with Paper Boat's charitable objects. The adoption of amendments to the Convention on the Rights of the Child by all United Nations member states in December 2019 (including the UK and Thailand), further emphasized the need to reassess institutional and residential childcare approaches and strengthened the call for all states to strengthen and prioritise community-based support and the prevention of unnecessary family-child separation. These considerations underpinned our engagement with Khon Kaen Boy's Town during and since the reporting period.

Although no staff, Trustees or volunteers from Paper Boat were able to visit the Boy's Town due to travel restrictions, through Hope and Homes for Children, staff connected with respected professionals already in Thailand. Given that there is no in country nodal arrangement for Thailand, external support was secured to ensure some independent feedback from the project, and the opportunity for staff and directors at the Boy's Town to enter dialogue with others with experience of both residential and community based care approaches in Thailand.

Alternative Care Thailand (ACT), is a working group within the Convention on the Rights of the Child Coalition for Thailand (CRCCT) focussed on alternative care reform in Thailand, to ensure that every child is raised in a family wherever possible addressing poverty and education access at home, with high quality provision of alternative care available for those children for whom residential care is necessary as a last resort.

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CRCCT members are working in partnership with each other and with the Royal Thai Government with the aim of facilitating full implementation of the UN Convention on the Rights of the Child in Thailand.

A team from ACT visited Khon Kaen Boy's Town to provide insights to the Paper Boat team, and assist in the progression of conversations around change, including sustainability and planning, and answering questions about how alternative approaches have worked in a Thai context and why there is a call for change. The focus was on connecting KKBT with practitioners and experts from and in Thailand who could share experiences of moving beyond residential care in a Thai context and advise on/support development of an evidence-based future strategy and approach that could ensure access to education for rural poor boys in Northeast Thailand, in a manner more in line with current best practice and guidelines on social care and child rights. Paper Boat offered to contract experienced in country social workers and researchers to survey, understand, and plan projects in response to the specific needs of the 25 boys and their families, however KKBT would not agree to the approach.

Following the engagement with members of Alternative Care Thailand Khon Kaen Boys Town committed to not admit any new boys into the town from 2021 onwards, and to explore alternative options for future utilisation of resources that could support their beneficiary group. Paper Boat and Khon Kaen Boy's Town are currently engaged in Board level dialogue to determine the next steps.

### **Discontinued partnerships**

#### **(SPPD) Society for Poor People's Development:**

Society for Poor People's Development (SPPD) had been a partner since 2005 and run various welfare schemes and development projects for families in Tiruchchirappalli District. During the previous annual report for 2019-2020 it was noted that:

- SPPD had signed up to the nodal arrangement for partners, however, they did not participate in the independent financial audit required as part of the partnership arrangement and essential for meeting due diligence requirements as stipulated by the Charity Commission of England and Wales.
- No response was received to further communications, including requests for the programme report from the second quarter.
- Funding was withheld for the final two quarters of the financial year.

In the 2020-2021 reporting period:

- CEDAR (in their role as a nodal agency) last wrote to SPPD in April 2020 to invite them to submit a new budget, provide the missing programme report and revisit financial audit arrangements if there was intent to continue in partnership.
- CEDAR recommended termination of partnership given the violation of the agreements signed.
- Paper Boat's Director Kemal Shaheen wrote directly to SPPD in December 2020 to offer an opportunity to meet and understand challenges.
- No further budget requests or responses have been received from SPPD since December 2019.

As we highlighted in last year's annual report it was looking increasingly likely that the partnership with SPPD would be brought to a close if we did not have a response to our communications. This has been the de facto outcome this year and Trustees will take a formal, minuted vote at a Board meeting in the next reporting period to officially recognize this

#### **Historic partnerships**

In the previous financial year, the Charity reported that it had ceased partnership with three historical partner organisations that had failed to respond to the recommendations made in an independent child protection and safeguarding audit and were failing to meet minimum legal requirements.

The charity notes that no funds have been sent during the financial year to, and requests that no donations be sent to the charity for those purposes, as these will be withheld.

- 1) The Boys Town Society (BTS) – South India.
- 2) Inba Seva Sangam (ISS) – South India.
- 3) Madurai Sevashram Girls Home (MSGH) – South India.

## **Fundraising Strategy**

Our fundraising strategic intent is.

- To grow a robust, diverse, and sustainable income base.
- To foster meaningful, prosperous, and lasting relationships with our supporters.

Highlights under each focus area from our 2020-2021 fundraising strategy:

### Nurture existing supporter relationships

Waypoint regularly engaged with and involved supporters on mailing list.  
New website launched with expanding resource base.  
Capacity building workshops delivered to partner field staff to strengthen updates and stories from the ground.

### Create the conditions for growth

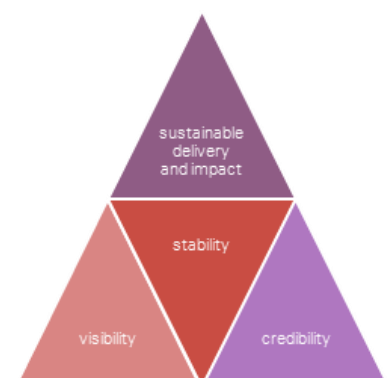
Formally updated charitable objects and articles of association.  
Formally adopted "Paper Boat" as the Charity's name.  
Visibly collaborated within new networks with fundraising potential as Paper Boat.

### Developing new partnerships with visionary donors

Established strategic funding partnership with Wilshire Skyline – involving \$10,000 committed per annum (3 years provided upfront) and development of material underway to encourage matched donations from tenants.  
Model replicable and/or adaptable for other future large donor partnerships.

In the next financial year Paper Boat plans to build on the foundations laid, in order to strengthen core income generation via three strands:

- Broader audience base (visibility)
- Partner diversification (stability)
- Demonstration of credibility (credibility)



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**Grant Making**

The charity has established its grant making policy to achieve its objectives for the public benefit to improve the lives of children and communities overseas. Applications for funding are carefully assessed and subsequently regular written reports are received, and visits made to supported projects to allow the Charity to monitor the results. The Charity receives from each supported NGO an Annual Report and Audited Accounts. Details of progress on the projects funded are communicated to donors at our Annual General Meeting, through our electronic newsletter, website, social media and personal correspondence.

***Trustees Responsibilities in relation to the Financial Statement.***

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 at the year end and of its incoming resources and resources expended during that year. 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 applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

***Financial Results and Future Activities***

***Achievements and Performance***

An overview of our work can be found at our website at [www.paperboatcharity.org.uk](http://www.paperboatcharity.org.uk); this includes current information about the charity and supported overseas projects.

Our priorities for 2020/21 were in line with the fundraising strategy above: to nurture existing supporter relationships; create the conditions for growth; and develop new partnerships with visionary donors. As the global pandemic unfolded, priorities shifted to also include maintaining operational and programme capacity (UK and overseas partners), responding to urgent humanitarian needs in the communities Paper Boat operates in, and managing unprecedented risk in the face of the COVID-19 pandemic.

Our total incoming resources for the year totalled £90,536, this gave us useable net income of £131,196. A variety of income streams contribute to the sum total required for our work. These include individual giving; grants from trusts, school, church and community groups; and legacies. Our main support remains individual regular giving from loyal supporters who donate generously.

It is important to note that there has been a significant decrease in income since the previous reporting period (2019/20) – some of this is explained by the transition away from the sponsorship model as highlighted in the previous year's report and a

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subsequent decrease in regular giving, during this period we've also returned £5,982 to individuals whose donations had been withheld from historic partners and did not want their funds repurposed.

The funding model was reviewed in 2020/21 and Paper Boat prioritised diversifying the funding base as a key strategic objective. The strategy for this reporting year is highlighted above (p25).

The charity invested £92,629 in overseas programmes, approximately 85.4% in South India and 14.6% in Thailand. During the 2020/21 Financial Year there has been a substantial decrease in overseas funding (compared with the previous Financial Year – 19/20) which reflects the decrease in programme activity (as Hubs were closed) and a joint strategic decision was taken with partners to operate on a contingency basis and reduce costs across the board for survival beyond the year end. The decision included salary cuts and minimising overheads (such as closure of UK office).

The Statement of Financial Activities shows the operating results of the Charity for the year and the Balance Sheet shows its situation on 5 April 2021. The trustees recognise that we remain in a challenging financial situation and are committed to close scrutiny of finances over next 12 months and are confident that we can support staff in attracting external funding to support the development of projects and programmes.

Our continuing priority for the future is to raise sufficient funds to allow our partner organisations to fully carry out their work for the benefit of children in hard-to-reach communities. This means supporting those NGO's in changing environments and adapting to meet the needs of today.

Trustees anticipate there being a continued shortfall in fundraising to meet charitable expenditure. The Charity is accordingly working with supported NGOs to seek local patronage and fundraising, whilst maintaining regular giving from supporters and diversifying income streams. The charity aims to achieve a sustainable funding model during 2020/21 to ensure that the deficit is progressively reduced. To achieve this figure, we will pursue our fundraising objectives as outlined above.

We recognise it is essential to provide high quality communications which inform supporters of our needs and how their contributions are used efficiently for the benefit of many children. We will continue to review and revise our communications strategy and to develop new materials for different audiences.

## **Reserve Policy**

The Charity Reserves refer to funds available and to be expended at the Trustees discretion in furtherance of any of the charity's objectives but which are not yet spent, committed or designated.

The Charity needs reserves:

- To provide financial security to ensure smooth and adequate support from the Charity for its existing partners and current projects.

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- To enable the Charity to take advantage of unexpected changes or opportunities arising that would enhance its partners' projects or improve the Charity's capacity to support its partners.

The Trustees have considered the funds held in Unrestricted reserves and have agreed that a policy should be in place whereby the Charity should aim to maintain a reserves corridor of £70,000-£90,000 that would cover 3 months expenditure.

In 2020-2021 the reserves were utilised to meet unrestricted programmes and expenditure and overhead costs. Trustees took this decision noting the need to maintain consistency in programme delivery and job security for staff, and in the knowledge that sufficient funds were in the pipeline in order for the Charity to remain a going concern. Assets providing assurance included: restricted funds in the bank that Trustees have reasonable expectation would be unrestricted at a later date by Charity Commission scheme; the property owned by the Charity with a value higher than funds held in reserve; and notification of a 490,000 Euro legacy gift from a longstanding supporter.

### ***Risk Management***

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reassurance that:

- Its assets are safeguarded against unauthorised use or disposition.
- Proper records are maintained and financial information used within the Charity or for publication is reliable.
- The Charity complies with relevant laws and regulations.

The Trustees actively review the major risks associated with raising funds and supporting overseas projects, which the Charity faces on a regular basis and believe that by designating funds to reserves they have sufficient resources to mitigate the significant risks.

This has been particularly important in these times of economic downturn and Trustees are continually monitoring the effect on our charity and its activities. Our banking arrangements and investment policies have been reviewed and Trustees consider them appropriate for current and future needs.

To conform with regulations the Charity has in place effective policies. Due to the nature of the overseas projects the Charity supports Trustees have encouraged those projects to put in place effective policies on child protection and its associated risks, which protect the children whom we support, and these requirements are captured by the due diligence checklist that all partners are assessed against on the commencement of partnership and annually thereafter.

### ***Objectives and Activities for the Public Benefit***

The objectives of the charity are the prevention or relief of poverty and inequality by advancing formal and informal education as well as developing capacity and skills for children and communities. This is achieved through the following activities:

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- making grants to appropriate NGO's overseas
- providing programme and capacity building support
- supporting partner organisations to network and collaborate
- other means which further our charitable objects for the public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

### ***Trustees***

The Trustees in office during the period and at the date of this report are set out on Page 4. The Members at the Annual General Meeting elect new Trustees annually.

### ***Independent Examiners***

Mark Jackson FCA, Azets has acted as the Independent Examiner for the Charity during 2020/21. A resolution proposing the appointment of an Independent Examiner in accordance with the provisions of the Companies Act 2006, will be proposed at the Annual General Meeting.

### ***Voluntary Help and Gifts in Kind***

The Trustees are very grateful to the volunteers who help by carrying out fundraising on our behalf and in particular those who work overseas. It would be difficult to achieve our aims without their continued support. We are unable to quantify in this report the contribution volunteers make in financial terms or in the hours they give but we would like to record here our immense gratitude for all the time and energy they invest.

Others have been very generous in providing support to the office throughout the year.

Approved and signed by the Trustees on 2th November 2021.

Deborah G. Wetherall

Arun Thayer

**Deborah Wetherall**

**Arun Chinnaraj**

**Tom Wilkinson**

**Deborah Stenner**

Trustees of

Paper Boat Ltd.

Company Number : 2661333

Charity Number: 1006060



## PAPER BOAT LTD.

### Independent Examiner's Report to the Trustees & Members of The Joe Homan Charity

I report to the trustees on my examination of the financial statements of the charity for the year ended 5 April 2021.

#### Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**Mark Jackson FCA**  
**Azets**  
**Ruthlyn House, 90 Lincoln Road, Peterborough**

**Date: 14.12.2021**

# PAPER BOAT LTD.

## Statement of Financial Activities (including Income and Expenditure Account) for the Year ended 5th April 2021



	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
<b>Income from</b>						
Donations and Legacies	3	55,413	31,765	-	87,178	131,355
Investments	4	3,358	-	-	3,358	2,430
<b>Total Income</b>		<b>58,771</b>	<b>31,765</b>	<b>-</b>	<b>90,536</b>	<b>133,785</b>
<b>Expenditure on</b>						
Raising Funds	5	24,242	26,382	-	50,624	51,769
Charitable Activities	6	17,584	140,588	-	158,172	202,376
<b>Total Resources Expended</b>		<b>41,826</b>	<b>166,970</b>	<b>-</b>	<b>208,796</b>	<b>254,145</b>
Loss on disposal of investments		-	-	-	-	(1,601)
<b>Net Outgoing Resources before Transfers</b>		16,945	(135,205)	-	(118,260)	(121,961)
Gross Transfers between Funds	17	(153,036)	153,036	-	-	-
<b>Net Movement in Funds</b>		<b>(136,091)</b>	<b>17,831</b>	<b>-</b>	<b>(118,260)</b>	<b>(121,961)</b>
Fund Balances at 6 April 2020		147,016	96,721	181,000	424,737	546,698
<b>Fund Balances at 5 April 2021</b>		<b>10,925</b>	<b>114,552</b>	<b>181,000</b>	<b>306,477</b>	<b>424,737</b>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# PAPER BOAT LTD.

## Balance Sheet at 5th April 2021



	Note	2021	2020
		£	£
<b>Fixed Assets</b>			
Tangible fixed assets	11	<u>181,981</u>	<u>182,275</u>
		<b>181,981</b>	<b>182,275</b>
<b>Current Assets</b>			
Debtors	12	7,780	13,856
Cash at Bank and in Hand		<u>123,416</u>	<u>234,528</u>
		<b>131,196</b>	<b>248,384</b>
<b>Creditors</b> (amounts falling due within one year)	13	<u>(6,700)</u>	<u>(5,922)</u>
<b>Net Current Assets</b>		<u><b>124,496</b></u>	<u><b>242,462</b></u>
<b>Total Assets less Current Liabilities</b>		<u><b>306,477</b></u>	<u><b>424,737</b></u>
<b>Capital Funds</b>			
Endowment Funds	15	181,000	181,000
<b>Income Funds</b>			
<b>Unrestricted</b>	16		
General		10,925	57,016
Designated		<u>-</u>	<u>90,000</u>
		<u>10,925</u>	<u>147,016</u>
<b>Restricted</b>	17	<u>114,552</u>	<u>96,721</u>
		<u><b>306,477</b></u>	<u><b>424,737</b></u>

The company is entitled to the exemption from the audit requirement contained in Section 477 of the Companies Act 2006, for the year ended 5 April 2021. No Member of the company has deposited a notice, pursuant to Section 476, requiring an audit of these accounts.

The Trustees responsibilities for ensuring that the charity keeps accounting records which comply with Section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on ...09/12/2021.. and signed on its behalf by:

*Deborah G. Wetherall*

Board member  
Paper Boat Ltd.

**Company Number : 02661333**

# PAPER BOAT LTD.

Notes forming part of the financial statement  
For the year ended 5th April 2021

## Note

### 1 Accounting Policies

The unaudited financial statements comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015). The principal accounting policies adopted in the preparation of the financial statements are as follows:

#### Incoming Resources

**Sponsors, Donations and Gifts.** Income from sponsors, donations and gifts is included in incoming resources when these are receivable. When donors specify that donations are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable. Income received under Gift Aid is grossed up for the income tax recoverable in the period in which the income is received.

**Donated Services.** The Charity benefits from many voluntary hours given by supporters, and service providers (IT). No income is recognised when there is no financial costs borne by a third party.

**Sale of Goods.** Income from the sale of goods is included in the period in which the Charity is entitled to receipt.

**Interest Receivable.** Interest is included when receivable by the Charity.

**Investments.** All investments are stated at market value as at the Balance Sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities. Investment income is accounted for in the period in which the Charity is entitled to its receipt.

**Legacy Policy.** Legacies will be receivable and accounted for on receipt of those funds.

#### Resources Expended

Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of any VAT, which cannot be recovered.

Grants payable to partner organisations are included in the Statement of Financial Activities when approved by the Trustees and agreed with the other organisation. Grants where the beneficiary has not been informed, or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments (see note 23).

Direct Charitable Expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been split on an estimated basis as appropriate.

# PAPER BOAT LTD.

Notes forming part of the financial statement  
For the year ended 5th April 2021

## Note

### 1 Accounting Policies (continued)

Support costs comprise of service costs incurred centrally in support of the project work.

Fixed assets are included at cost.

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:

Fixtures, fittings and office equipment: 20% p.a. and 50% p.a. straight line.

Leasehold Property is not depreciated.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Stocks are valued at the lower of cost or net realisable value.

Fundraising costs. These include the salaries, direct expenditure and overhead costs of the staff in offices in the UK and India, who play a direct role in recruiting and retaining sponsors. Fundraising costs include the expenses (subsistence) incurred during fundraising engagements.

#### **Governance Costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory independent examiner and legal fees.

#### **Fund Accounting**

Funds held by the Charity are either:

Unrestricted General Funds – these are funds, which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated Funds – these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

Restricted Funds – these are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund or project can be found in the trustees report. Balances on funds are found in Notes 18, 19, 20 and 21 to the financial statements.

### 2 Legal Status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each Member in the event of winding up is limited to £1.

# PAPER BOAT LTD.

Notes forming part of the financial statement  
For the year ended 5th April 2021

## 3 Donations and Legacies

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
<b>Donations and Gifts</b>				
Sponsors - BTS	-	-	-	38,315
Sponsors - ISS	-	-	-	12,029
Sponsors - MSGH	-	-	-	6,069
Sponsors - Thailand	-	-	-	6,408
Sponsors - CEDAR	-	-	-	-
Sponsors - DACS	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,821</u>
Donations - Non Specific	18,572	-	18,572	27,479
Donations - BTS	-	15,606	15,606	562
Donations - ISS	-	4,912	4,912	-
Donations - MSGH	-	3,232	3,232	-
Donations - Thailand	-	2,305	2,305	-
Donations - CEDAR - Nodal office	-	-	-	862
Donations - CEDAR hubs	-	1,317	1,317	-
Donations - DACS	-	3,463	3,463	1,195
Donations - SPPD	-	63	63	159
Donations - COVID response	-	867	867	-
Donations - Unrestricted	26,181	-	26,181	-
	<u>44,753</u>	<u>31,765</u>	<u>76,518</u>	<u>30,257</u>
Total Donations and Gifts	<u>44,753</u>	<u>31,765</u>	<u>76,518</u>	<u>93,078</u>
Legacies - other	10,000	-	10,000	37,737
Membership fees	660	-	660	540
	<u>10,660</u>	<u>-</u>	<u>10,660</u>	<u>38,277</u>
Total Donations and Legacies	<u>55,413</u>	<u>31,765</u>	<u>87,178</u>	<u>131,355</u>

## 4 Investment

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income from listed investments	-	-	-	1,430
Interest receivable	3,358	-	3,358	1,000
	<u>3,358</u>	<u>-</u>	<u>3,358</u>	<u>2,430</u>

# PAPER BOAT LTD.

Notes forming part of the financial statement  
For the year ended 5th April 2021

## 5 Raising Funds

		Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Fundraising and publicity					
Share of support costs	Note 9				
Staff costs		21,782	21,782	43,564	36,020
Depreciation and impairment		196	-	196	175
Other share of support costs		2,264	4,600	6,864	15,574
		<u>24,242</u>	<u>26,382</u>	<u>50,624</u>	<u>51,769</u>

## 6 Charitable Activities

		Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Grant funding of activities	Note 8	-	98,611	98,611	132,327
Share of support costs	Note 9	11,945	13,716	25,661	33,733
Share of governance costs	Note 9	5,639	28,261	33,900	47,463
		<u>17,584</u>	<u>140,588</u>	<u>158,172</u>	<u>213,523</u>

## 7 Grants Payable and returned donations

	Grants payable £	Donations returned £	Total 2021 £	Total 2020 £
Boys Town Society	-	5,435	5,435	5,725
DACS	13,371	-	13,371	28,344
SPPD	-	-	-	6,080
MSGH	-	-	-	420
ISS	-	547	547	717
CEDAR - Nodal office	7,570	-	7,570	24,556
CEDAR hubs (Kovilpatti and Madurai)	41,639	-	41,639	41,485
COVID response programme	16,513	-	16,513	-
Thailand	3,536	-	3,536	15,000
Thailand - Legacy grants	10,000	-	10,000	10,000
	<u>92,629</u>	<u>5,982</u>	<u>98,611</u>	<u>132,327</u>

Grants payable to partner organisations are considered to be part of the costs of activities in furtherance of the objects of the Charity because the Charity's programme is carried out through grants to local organisations which support long term sustainable benefits for a community.

Note 20 provides further explanation and breakdown.

# PAPER BOAT LTD.

Notes forming part of the financial statement  
For the year ended 5th April 2021

## 8 Governance and Support Costs

	Support Fundraising	Support Charitable Activities	Governance	Total 2021	Total 2020
	£	£	£	£	£
Staff costs	43,563	22,262	-	65,825	53,211
Depreciation	196	98	-	294	262
Rent and insurance	3,313	1,655	-	4,968	7,171
Venue hire for events	-	-	-	-	1,107
Post and telephone	1,266	633	-	1,899	1,290
Travel and subsistence	259	-	-	259	4,954
Other general office costs	2,027	1,013	-	3,040	6,360
Independent examiner fees	-	-	3,240	3,240	3,240
Bookkeeping fees	-	-	8,640	8,640	8,640
Legal and professional	-	-	22,020	22,020	35,583
Trustee and annual meetings	-	-	-	-	-
	<u>50,624</u>	<u>25,661</u>	<u>33,900</u>	<u>110,185</u>	<u>121,818</u>

## 9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

## 10 Employees

	2021	2020
Number of employees		
Direct charitable service	1.40	1.40
Fundraising and publicity	0.60	0.60
	<u>2.00</u>	<u>2.00</u>
Employee costs		
	£	£
Salaries and wages	62,388	50,779
Social security costs	1,983	1,186
Pension costs	1,454	1,246
	<u>65,825</u>	<u>53,211</u>

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



# PAPER BOAT LTD.

Notes forming part of the financial statement  
For the year ended 5th April 2021

## 11 Tangible Fixed Assets

	Freehold Land and Buildings £	Fixtures and Fittings £	Total £
Cost			
At 6 April 2020	181,000	2,302	183,302
Additions	-	-	-
At 5 April 2021	<u>181,000</u>	<u>2,302</u>	<u>183,302</u>
Depreciation and impairment			
At 6 April 2020	-	1,027	1,027
Depreciation charged in the year	-	294	294
At 5 April 2021	<u>-</u>	<u>1,321</u>	<u>1,321</u>
Carrying amount			
At 6 April 2020	<u>181,000</u>	<u>1,275</u>	<u>182,275</u>
At 5 April 2021	<u>181,000</u>	<u>981</u>	<u>181,981</u>

For details of the freehold land and buildings, see note 17, endowment funds.

## 12 Debtors

	2021 £	2020 £
Gift aid debtor	7,480	13,556
Prepayments and accrued income	300	300
	<u>7,780</u>	<u>13,856</u>

## 13 Creditors: Amounts falling due within one year

	2021 £	2020 £
PAYE due	1,539	1,122
Other accruals	5,161	4,800
	<u>6,700</u>	<u>5,922</u>

## PAPER BOAT LTD.

Notes forming part of the financial statement  
For the year ended 5th April 2021

### 14 Retirement Benefit Schemes

#### Defined Contribution Schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

### 15 Endowment Funds

	Balance at 6 April 2020 £	Movement in Incoming Resources £	Movement in Resources Expended £	Balance at 5 April 2021 £
Expendable endowments property	181,000	-	-	181,000
	<u>181,000</u>	<u>-</u>	<u>-</u>	<u>181,000</u>

In April 2004 a leasehold property was donated to the charity when its market value was £165,000. In the financial year ended 5 April 2014 a further £16,000 was invested in order to acquire the freehold to the property. Title to the property is held by a separate company, Forest Lawns Management Limited, on behalf of the property owners. Mr K Shaheen, the Charity Manager, is a Director of the company, and the charity holds 5% of the shares in that company, which equates to one of the twenty properties in the company. One of the conditions of the donation was that the donor continues to live in the property for the duration of her life, after which the Trustees are able to deal with the property in any manner. The Trustees have re-classified this as an expendable endowment fund which they consider to be more appropriate than restricted funds as they are unable to use the fund at the current time.

### 16 Unrestricted Funds of the Charity

	General Fund £	Designated Fund £	Total 2021 £
Balance at 6 April 2020	57,016	90,000	147,016
Gain for year	16,945	-	16,945
Transfer between funds	(63,036)	(90,000)	(153,036)
Balance at 5 April 2021	<u>10,925</u>	<u>-</u>	<u>10,925</u>

Designated Funds - The Trustees have approved a policy of maintaining a reserve of £70,000 - £90,000 to provide sufficient funds to continue the current activities, in the event of a significant drop in funding, for a period sufficient to determine how funding could be increased or activities scaled down.

## PAPER BOAT LTD.

Notes forming part of the financial statement  
For the year ended 5th April 2021

### 17 Restricted Funds

	Balance 6th April 2020 £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Balance 5th April 2021 £
Boys Town Society	47,289	15,606	5,435	-	57,460
Inba Seva Sangam	9,561	4,912	547	-	13,926
CEDAR - Nodal office	-	-	14,930	14,930	-
CEDAR hubs (Kovilpatti and Madurai)	-	1,317	82,130	80,813	-
SPPD	-	63	-	-	63
MSGH	4,871	3,232	-	-	8,103
DACS	-	3,463	23,625	20,162	-
Thailand	-	2,305	23,790	21,485	-
COVID Response	-	867	16,513	15,646	-
Restricted legacy fund	35,000	-	-	-	35,000
	<u>96,721</u>	<u>31,765</u>	<u>166,970</u>	<u>153,036</u>	<u>114,552</u>

Resources expended noted above is further broken down in the table below:

	Grant funding: paid in year £	Donations returned to donor £	Subtotal £	Raising funds: staff costs £	Raising funds: other support costs £	Share of support costs £	Share of governance costs £	Total expenditure £
Boys Town Society	-	5,435	5,435	-	-	-	-	5,435
Inba Seva Sangam	-	547	547	-	-	-	-	547
CEDAR - Nodal office	7,570	-	7,570	2,345	495	1,477	3,043	14,930
CEDAR hubs (Kovilpatti and Madurai)	41,639	-	41,639	12,902	2,725	8,124	16,740	82,130
MSGH	-	-	-	-	-	-	-	-
COVID Response	16,513	-	16,513	-	-	-	-	16,513
DACS	13,371	-	13,371	3,268	690	2,057	4,239	23,625
Thailand	13,536	-	13,536	3,267	691	2,057	4,239	23,790
DAARDS	-	-	-	-	-	-	-	-
	<u>92,629</u>	<u>5,982</u>	<u>98,611</u>	<u>21,782</u>	<u>4,601</u>	<u>13,715</u>	<u>28,261</u>	<u>166,970</u>

As noted in the prior year financial statements there were safeguarding issues which led to funds being offered back to donors or to be transferred to another fund supported by the charity. The above £5,982 being donations returned is where the donors have requested the funds be returned to them. The remaining funds have been transferred where donors have requested this or left in the unsupported fund where the donor has not replied. The charity has sought to transfer the remainder of these funds through contacting the charity commission.

The remaining restricted funds above are in line with the total amounts identified in correspondence to the charity commission in July 2020. These amounts will not be touched unless explicit permission is received from the donor or the charity commission.

Trustees have agreed that where a project is not fully supported by restricted funds that unrestricted funds will be transferred to those projects, these make up the remainder of the transfers above.

For more information on the restricted funds please refer to comments in the Trustee's report.

The direct costs relate to other costs incurred in administering the grants to partner charities, and a proportion of the general running costs of the charity. The split above has been based on the income proportions over the last few years.

## PAPER BOAT LTD.

Notes forming part of the financial statement  
For the year ended 5th April 2021

### 18 Designated Funds

	Balance at 6 April 2020	Incoming Resources	Movement in Funds		Balance at 5 April 2021
	£	£	Resources Expended	Transfers between funds	£
Funds projects	90,000	-	-	(90,000)	-
	90,000	-	-	(90,000)	-

Designated Funds - The Trustees have approved a policy of maintaining a reserve of £70,000 - £90,000 to provide sufficient funds to continue the current activities, in the event of a significant drop in funding, for a period sufficient to determine how funding could be increased or activities scaled down.

### 19 Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Endowment fund	Total 2021	Total 2020
	£	£	£	£	£
Fund balances at 5th April 2021 are represented by:					
Tangible fixed assets	981	-	181,000	181,981	182,275
Current assets	16,644	114,552	-	131,196	248,384
Current liabilities	(6,700)	-	-	(6,700)	(5,922)
Total net assets	10,925	114,552	181,000	306,477	424,737

### 20 Commitments

At 6th April 2021 the Charity had commitments as follows:

Commitments in respect of grants approved for projects which have not been accrued in the financial statements but will form part of grants:

	Within on year £	Two to five years £	Total 2021 £	Total 2020 £
Thailand - Legacy grants	10,000	-	10,000	20,000
	10,000	-	10,000	20,000