Green Shoots Foundation Ltd
(A company limited by guarantee)

Report and Financial Statements

Year ended 31st May 2014

Charity number: 1138412

Company number: 07272710 (England and Wales)
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REFERENCE AND ADMINISTRATIVE DETAILS

Green Shoots Foundation Ltd

Charity number: 1138412
Company number: 07272710 (England and Wales)
Principal Office: c/o TMT, PO Box 63678, London SW11 9BD
Registered Address: 183-189 The Vale, London W3 7RW
Bankers: HSBC, 8 Canada Square, London, E14 5HQ
Website: www.greenshootsfoundation.org

Directors and Trustees:

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 serving for the year and since 31st May 2014:

Mr Achim Kram
Ms Deborah Hutchinson – Head of Audit & Finance sub-committee
Mrs Maria Largey, Chairperson
Mr David Ruiz
Dr Nathalie Dang, co-Chairperson
Dr Mark Nelson
Prof Jurgen Rockstroh
Mr Guy Hart, resigned on 25th November 2014

CEO:
Mr Jean-Marc Debricon

Secretary:
Mr Jean-Marc Debricon.
REPORT OF DIRECTORS

YEAR ENDED 31st MAY 2014

The Directors are pleased to present their report together with the financial statements of the Charity for the year ended 31st May 2014.

Structure, Governance and Management

Governing Document:

Green Shoots Foundation Ltd ("GREEN SHOOTS") is a company limited by guarantee (incorporated on 3rd June 2010) and governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member of the Company subject to application to and approval by the Trustees. In the event of the company being dissolved, members are required to contribute an amount not exceeding £10.

GREEN SHOOTS' Vision:

"A world in which all people live in dignity and security and are able to provide for their families."

GREEN SHOOTS' Mission:

"The prevention or relief of poverty through the implementation in greater Asia or Africa of holistic and sustainable development programmes combining economic empowerment with access to education and/or medical aid."

GREEN SHOOTS' Values:

Our core values drive our work and are central to our decision-making processes. We aim to align the programmes we establish and any partnerships we build with our social mission and core values. Our core values are:

Passion for social change, Integrity, Respect, Compassion, Fair Practice, Transparency, Innovation, Best Practice, Project Management, Sustainability, Measurability.

Appointment of Trustees

As set out in the Articles of Association a new Trustee may be appointed by ordinary resolution of the Company. Trustees are elected annually by the members of the Charity attending the annual general meeting ("AGM") and serve for a period of two years. All members are circulated with invitations to nominate Trustees prior to the AGM advising them of the retiring Trustees and requesting nominations for the AGM.
Trustee induction and training

The existing Trustees were made aware of their legal obligations under Charity and Company Law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charity upon incorporation of the company.

The existing Trustees advise that all new Trustees should take a course before joining to ensure that they are up to date with the latest regulations and requirements for trustees.

Organisation

The board of Trustees (the “Board”), currently made up of 7 Trustees but which can have up to 15 members, administers the Charity. The Board meets once a year. Trustees are expected to take active participation in the running of the Charity and the management of its projects, including networking, fundraising and event organising. The Chairperson chairs the meetings of the Board. The Head of the Audit & Finance sub-committee signs the accounts and annual reports prepared by the CEO. The CEO, under the supervision of the Board, develops the strategy of the Charity and manages its day-to-day operations.

Related parties

Jean-Marc Debricon, CEO of the Charity is also trustee and Chairman of Children of the Mekong, a UK charity affiliated to Enfants du Mekong, which is also a local implementation partner of the Charity. As trustee, he does not receive any remunerations of any kind.

Risk management

The Charity has a risk management strategy that comprises:

- Assessing strategic alignment with partners
- Assessing the feasibility and viability of each project establishing the funding capabilities of GREEN SHOOTS
- Assessing all potential projects in order to avoid safety risk for the Charity, the Trustees or any other parties involved
- Defining prioritisation and allocation of funds
- An ongoing review of the major risks to the Charity and a subsequent establishment of systems and procedures to mitigate those risks identified.
REPORT OF DIRECTORS - continued

Securing strategic resources:

With this fourth year behind us and some very good achievements, we are slowly building the required track record and legitimacy required by larger trusts and foundations. The charity reached a total income of over GBP231,000 which remains under the audit threshold of GBP250,000. Given our business model based on low overheads, sustainable operations and local partnerships, we expect that this will remain the preferred size for the charity.

We have obtained great support from a number of law firms providing in excess of GBP61,000 of pro bono services through programmes set up by A4ID and Trustlaw Connect. This was also instrumental in obtaining final confirmation from the IRS that “Green Shoots US Foundation” be deemed a registered 501 c 3 charitable incorporation.

Financial Review

GREEN SHOOTS started the financial year with excess funds brought forward and increased this position whilst doubling again charitable expenditure from the prior year to just under £204,500.

Principal Funding Sources

The principal funding sources were as follows:
- Private donations
- Company donations
- Proceeds from events

Each private and company donation is confirmed by the donor as unrestricted or restricted and then designated accordingly by the CEO for a country of operation or a specific project.

Investment Policy

The funds received are held in currency current accounts at an interest rate negotiated by the CEO with the Bankers. This has proved suitable where the funds have been disbursed towards the projects within a short time of receipt. However funds earmarked for longer-term projects that have not been disbursed are invested in a higher interest bearing account. For the avoidance of doubt, given the current volatile markets, the CEO will not seek higher risk products and will restrict the cash management to term deposits with the Bankers (currently, HSBC Bank plc).

Any funds surplus to a designated project will be used for the continued maintenance or further improvement of the project, or allocated to another project at the discretion of the Trustees.

Reserves Policy

Whilst no reserve policy is currently in place, the CEO will propose to the board of Trustees that an appropriate Reserve Policy be implemented in the course of the financial year 2014-2015. For its first year of implementation, this Policy will define the reserve level as that necessary to face the Charity’s financial obligations for a 6-month period, i.e. GBP15,000.
Plans for future periods

The Charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

<table>
<thead>
<tr>
<th>Programmes</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELSE</td>
<td>£19k</td>
<td>£19k</td>
<td>£19k</td>
<td>£57k</td>
</tr>
<tr>
<td>MAME</td>
<td>£77k</td>
<td>£77k</td>
<td>£103k</td>
<td>£257k</td>
</tr>
<tr>
<td>FASE</td>
<td>£106k</td>
<td>£49k</td>
<td>£68k</td>
<td>£223k</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£202k</strong></td>
<td><strong>£155k</strong></td>
<td><strong>£190k</strong></td>
<td><strong>£537k</strong></td>
</tr>
</tbody>
</table>
REPORT OF DIRECTORS - continued

Trustees’ responsibilities in relation to the financial statements

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006 (the “Act”). The Trustees 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.

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

For the financial year ended 31st May 2014 the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476.

The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and for preparing financial statements 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 profit or loss 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 financial statements, so far as applicable to the company.

Approved by the Directors on 12th February 2015 and signed by:

[Signature]

Name: Deborah HUTCHINSON
Title: Trustee, Head of Audit and Finance Sub Committee
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF GREEN SHOOTS FOUNDATION LIMITED

I report on the accounts of the Charity for the period ended 31st May 2014, which are set out on page 11 to 17.

Respective responsibilities of Trustees and examiner
The Trustees, (who are also the directors of GREEN SHOOTS FOUNDATION LIMITED for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011, (the 2011 Act), and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Company Act 2006 and is eligible for independent examination, it is my responsibility:

1. To examine the accounts under section 145 of the 2011 Act;
2. To follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
3. To state whether particular matters have come to my attention.

Basis of independent examiner’s report
My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a ‘true and fair view’ and the report is limited to those matters set out in the statement below.

Independent examiner’s statement
a) In connection with my examination, no matter has come to my attention; Which gives me reasonable cause to believe that in any material respect the requirements:
   i. To keep accounting records in accordance with section 386 of the Companies Act 2006; and
   ii. To prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met or;
   b) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Seema Siddiqui, FCA
Charles William & Siddiqui
London, W3 7RW

Date: 13th February 2015
183-189 The Vale, Acton
## STATEMENT OF FINANCIAL ACTIVITIES
### INCOME STATEMENT
#### YEAR ENDED 31st MAY 2014

<table>
<thead>
<tr>
<th>GBP</th>
<th>Note</th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>Total Funds</th>
<th>Year Ended 31st May 2013 Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Incoming Resources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary Income</td>
<td>2</td>
<td>137,308</td>
<td>93,995</td>
<td>231,303</td>
<td>157,698</td>
</tr>
<tr>
<td><strong>Other Incoming Resources</strong></td>
<td>3</td>
<td>15</td>
<td>0</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total incoming Resources</strong></td>
<td></td>
<td>137,323</td>
<td>93,995</td>
<td>231,318</td>
<td>157,698</td>
</tr>
</tbody>
</table>

| **Resources Expended** |      |                    |                  |             |                                       |
| Charitable Expenditure | 4    | 137,810            | 66,637           | 204,447     | 103,088                               |
| Cost of Charitable Activities | 5 | 13,720            | 0                | 13,720      | 12,540                               |
| Fees Paid Governance Costs | | 126                | 0                | 126         | 22                                    |
| 913                      | 0                | 913               | 0                | 719                                   |
| **Total Resources Expended** |      | 152,569            | 66,637           | 219,206     | 116,369                               |

**Net (outgoing)/Incoming Resources Before Transfers**

|                  |      |                    |                  |             |                                       |
| (15,246)         |      | 27,358             | 12,112           | 41,329      |

The statement of financial activities includes all gains and losses recognized in the year. All incoming resources and resources expended derive from continuing activities.
# BALANCE SHEET
## AS AT 31st MAY 2014

<table>
<thead>
<tr>
<th>GBP</th>
<th>Note</th>
<th>As at 31st May 2014</th>
<th>As at 31st May 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>119,322</td>
<td>107,210</td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
<td><strong>119,322</strong></td>
<td><strong>107,210</strong></td>
</tr>
<tr>
<td>The funds of the charity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted income funds</td>
<td>7</td>
<td>4,861</td>
<td>10,854</td>
</tr>
<tr>
<td>Restricted income funds</td>
<td>7</td>
<td>114,461</td>
<td>96,356</td>
</tr>
<tr>
<td>Total charity funds</td>
<td></td>
<td><strong>119,322</strong></td>
<td><strong>107,210</strong></td>
</tr>
</tbody>
</table>

The notes at pages 13 to 17 form part of these accounts.

*These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008). For the financial year ended 31st May 2014 the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476.*

Signed Deborah HUTCHINSON

Name: Deborah HUTCHINSON  
Title: Trustee, Head of Audit and Finance Sub Committee
1 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

a) Basis of preparation:

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008).

b) Investment properties:

Not applicable.

c) Fund accounting:

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity
- Designated funds are unrestricted funds earmarked by the CEO and Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

d) Incoming resources:

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Income from charitable trading activities is recognized when earned (as the related goods and services are provided).
- Investment income is recognized on a receivable basis.
- Donated services and facilities provided are included in these accounts at their fair market value.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
NOTES TO THE FINANCIAL STATEMENTS - continued

1 Accounting Policies

e) Resources expended

Expenditure is recognized on an accrual basis as a liability is incurred. Expenditure includes any VAT that cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Governance costs comprise those costs associated with meeting the constitutional and statutory requirements of the charity and include bank charges and other bank related expenses. Due to projects being abroad, in order to meet the objectives of the charity, funds are received and disbursed in foreign currency, thus incurring bank charges. These have therefore been included under governance costs as it is an integral part of the running of the charity to receive and disburse funds.

f) Foreign Currency Translation

Funds are held in one of three currency accounts, depending on origin of the donation: GBP, USD and EURO. USD and EURO funds are eventually converted in GBP before disbursements in GBP are made to EDM. For the purposes of the report and financial statements, USD and EURO funds were reported at the appropriate FX rates as at 31st May 2014. As of that date, all funds were held in GBP.

2 Voluntary Income

<table>
<thead>
<tr>
<th>GBP</th>
<th>Year ended 31st May 2014</th>
<th>Year ended 31st May 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Restricted</td>
</tr>
<tr>
<td>Donations from individuals</td>
<td>8,465</td>
<td>44,355</td>
</tr>
<tr>
<td>Grants from foundations</td>
<td>2,471</td>
<td>49,640</td>
</tr>
<tr>
<td>Gift Aid</td>
<td>8,394</td>
<td>0</td>
</tr>
<tr>
<td>Pro bono offices</td>
<td>22,960</td>
<td>0</td>
</tr>
<tr>
<td>Pro bono legal services</td>
<td>61,018</td>
<td>0</td>
</tr>
<tr>
<td>Other pro bono services</td>
<td>34,000</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>137,308</td>
<td>93,995</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS - continued

3 Other Incoming Resources

There were no other incoming resources in the period.

4 Charitable Expenditure

Split by programme:

<table>
<thead>
<tr>
<th>GBP</th>
<th>Year Ended 31st May 2014</th>
<th>Year Ended 31st May 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Restricted</td>
</tr>
<tr>
<td>ELSE</td>
<td>22,968</td>
<td>12,500</td>
</tr>
<tr>
<td>FASE</td>
<td>45,937</td>
<td>28,824</td>
</tr>
<tr>
<td>MAME</td>
<td>68,905</td>
<td>23,593</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>1,720</td>
</tr>
<tr>
<td>Total</td>
<td>137,810</td>
<td>66,637</td>
</tr>
</tbody>
</table>

All pro bono services are accounted for at their fair market value.

Split by country of operations:

<table>
<thead>
<tr>
<th>GBP</th>
<th>Year Ended 31st May 2014</th>
<th>Year Ended 31st May 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Expenditure</td>
<td>Expenditure</td>
</tr>
<tr>
<td>India</td>
<td>35,468</td>
<td>12,960</td>
</tr>
<tr>
<td>Cambodia</td>
<td>32,182</td>
<td>23,816</td>
</tr>
<tr>
<td>Philippines</td>
<td>42,578</td>
<td>16,340</td>
</tr>
<tr>
<td>Myanmar (Burma)</td>
<td>37,435</td>
<td>22,208</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>32,095</td>
<td>15,555</td>
</tr>
<tr>
<td>Vietnam</td>
<td>22,968</td>
<td>12,208</td>
</tr>
<tr>
<td>Others (Ethiopia)</td>
<td>1,720</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>204,447</td>
<td>103,088</td>
</tr>
</tbody>
</table>

5 Cost of Charitable Activities

<table>
<thead>
<tr>
<th>GBP</th>
<th>Year Ended 31st May 2014</th>
<th>Year Ended 31st May 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Expenditure</td>
<td>Expenditure</td>
</tr>
<tr>
<td>Travel expenses</td>
<td>824</td>
<td>1,299</td>
</tr>
<tr>
<td>Event expenses</td>
<td>528</td>
<td>0</td>
</tr>
<tr>
<td>Website</td>
<td>0</td>
<td>390</td>
</tr>
<tr>
<td>Salaries</td>
<td>10,192</td>
<td>8,872</td>
</tr>
<tr>
<td>IT &amp; Communications</td>
<td>1,719</td>
<td>1,613</td>
</tr>
<tr>
<td>Misc</td>
<td>457</td>
<td>367</td>
</tr>
<tr>
<td>Total</td>
<td>13,720</td>
<td>12,540</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS - continued

The average number of employees during the period was: 1.
• Wages and salaries (including Employer’s contributions) budgeted in Cost of Charitable Activities during the period: GBP 10,192
• Wages and salaries (including Employer’s contributions) budgeted in Charitable Expenditure during the period: GBP 15,288

There were no employees whose annual remuneration was GBP 60,000 or more.
There were no payments to pension plans.

6 Trustee remuneration and Related Party transactions

None of the Trustees of the Charity received any emolument in the period; there is one full time employee of the Charity. No Trustee or other person related to the Charity had any personal interest in any contract or transaction entered into by the Charity during the year.

None of the Trustees received any monies from the Charity as reimbursement of expenses incurred for the Charity.

7 Analysis of net assets between funds

<table>
<thead>
<tr>
<th>GBP</th>
<th>As at 31st May 2014</th>
<th>As at 31st May 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted Funds</td>
<td>Restricted Funds</td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous funds</td>
<td>4,861</td>
<td>-</td>
</tr>
<tr>
<td>Restricted Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ELSE, FASE, MAME, BMA)</td>
<td>-</td>
<td>114,461</td>
</tr>
<tr>
<td>Net Assets at 31st May</td>
<td>4,861</td>
<td>114,461</td>
</tr>
</tbody>
</table>

Purpose of Designated Funds:

Miscellaneous Funds: These funds have been designated by the Trustees for the undertaking of several projects in our countries of operations.

ELSE: These funds have been designated by the Trustees for the undertaking of “Education Loans and Social Entrepreneurship” (ELSE), a microfinance/education-social entrepreneurship project in the slums of Mumbai and Delhi, India.
NOTES TO THE FINANCIAL STATEMENTS - continued

FASE:
These funds have been designated by the Trustees for the undertaking of “Food & Agriculture and Social Entrepreneurship” (FASE), an environmental/education-social entrepreneurship project in rural provinces of Cambodia and the Philippines.

MAME:
These funds have been designated by the Trustees for the undertaking of “Medical Assistance & Medical Education” (MAME), a microfinance/education/medical aid project in Vietnam, Myanmar and Kyrgyzstan.

BMA:
These funds have been designated by the Trustees for the undertaking of the “Bart Mauldin Award” (BMA), an annual education award for a deserving student in the developing world.

RESERVES:
The funds have been designated by the Trustees as reserves for current expenses or unexpected expenses and in the absence of any other available funds.

8 Material Legacies

Legacy income is only included in incoming resources where the legacy has been received or both the receipt and the amount are known with sufficient certainty. As at 31st May 2014, the Charity had no legacy income.