



Next Generation Nepal

Annual Report 2014



Mission Statement

Next Generation Nepal preserves family unity and strengthens communities by reconnecting trafficked children with their parents and culture in post-conflict Nepal.

Nine years after the founding of Next Generation Nepal, Nepal remains a place of unpredictable change. NGN's work and commitment have remained constant throughout.

We face new challenges posed by poverty and the evil of those who prey on the vulnerabilities of children. Our mission, though, is unwavering. Our dedicated team on the ground works every day to reduce the over 15,000 trafficked children held in illegal children's homes and orphanages. Over the years, we have gotten very good at finding the families of these children, even in the most remote parts of the country. We have restored the lost children to their mothers and fathers, and to their communities. They need us now more than ever.

Next Generation Nepal also has an education component to our work. Thanks to the contributions of a dedicated supporter, the older children in the NGN system, those who were trafficked long ago, have received scholarships to study in the capital of Kathmandu. Their limits are only those that they place on themselves—we are committed to working towards educating them to the highest degree they are capable of reaching.

We have taken great strides in raising awareness about the plight of child trafficking and the unique conditions of Nepal. Our Country Director, Martin Punaks, has co-authored a paper, "The Paradox of Orphanage Volunteering," that is being used by the largest international child protection agencies operating in Nepal. We seek to stop the problem at its roots.

Next Generation Nepal, led by our Executive Director, Anna Howe, is an organization that is making a difference to children in Nepal every single day. In many cases, we are the lone hope of these lost children. We take that responsibility seriously.

About NGN

Next Generation Nepal is a nonprofit organization dedicated to reconnecting trafficked children with their families. Founded in 2006 by Conor Grennan, NGN has linked nearly 500 trafficked children in its care to their home communities in Nepal through a careful process of reconnection and reunification. With offices in Oregon and Kathmandu, NGN oversees a small program staff implementing an ambitious strategic plan for growth and maximum impact. NGN works through its committed implementing partner, The Himalayan Innovative Society (THIS), which has over 11 years of experience in child rights and family reunification in Nepal. NGN and THIS use innovative methods to build trust, counsel, stimulate memory and search for the parents of trafficked children.

Next Generation Nepal & The Himalayan Innovative Society Statistics



274 missions have been organized in 32 districts of Nepal. These included family tracing, reconnections, reintegration, reunifications and monitoring.



483

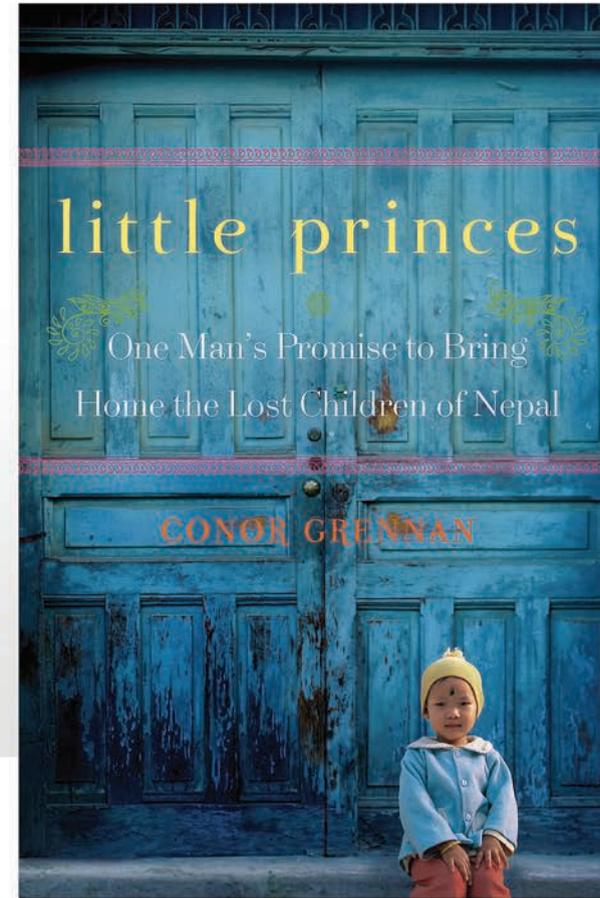
trafficked and displaced children have been reconnected with their families

130

children have been permanently reunified with their families

9

years old is the average age of those rescued



“Little Princes” Story

“Little Princes” is the story of how a three-month volunteering stint at a Nepali orphanage called the Little Princes Children’s Home forever changed the course of Connor Grennan’s life. When Grennan discovered that the kids in his care weren’t orphans at all but victims of child trafficking, he promised to find their parents and set off on an adventure he never could have imagined, risking his life on a trek through the highest mountains on earth in a developing country ravaged by civil war. Along the way, Grennan found his passion, started Next Generation Nepal, met the love of his life and proved that one person can make a difference.

Rescue & Reunification



NGN rescues children who are being kept in illegal, abusive children's homes/orphanages with no hope of ever seeing their families again. Reintegration is the process of reunifying a child with his or her family and community after being displaced. It is a process of bringing the child and family back together to re-establish the family bond and ensure its sustainability.

These children have few memories of "home," and through the watchful eyes and ears of our Reintegration staff we find clues that will lead us to their families. Armed with these clues and a photo of each child we begin the search.

Following the death of his parents, Bibek was sent to a children's home near Kathmandu by a neighbor who thought he was acting in Bibek's best interest. Once rescued from what turned out to be an abusive orphanage, Bibek slowly revealed his story and NGN began to trace his family. Although Bibek had lost both of his parents, he still had family that could potentially care for him. With the hard work and dedication of our reintegration officers, and the commitment of Bibek's family, he is now living where he belongs, back home with his family.

In 2013, Daman and his brother, along with 16 other young children, were rescued from a deplorable orphanage just outside of Kathmandu. The children were living in cramped quarters (all 18 sleeping in one room), with little food, insufficient medical care and unsanitary living conditions. NGN and its implementing partner THIS worked with the government to rescue the children from the children's home.



Ethical Voluntourism

At NGN we applaud everyone who wishes to donate their time and skills to help others less fortunate than them. However, choosing an "ethical volunteering" placement in a developing country is something that takes careful consideration.

"Ethical volunteering" means having the right attitude to volunteering, and taking the time and care to choose a placement that does not cause harm to others.

National and international interest in orphanage volunteering and the harm it can cause to children continues to rise, and NGN has found itself conveniently placed in playing a useful role in this debate.

Following NGN's advocacy campaign to the diplomatic community in Nepal last year, three more embassies (U.S., Britain and France) have effectively changed the official "Travel Advisory" that appears on their websites, warning potential volunteers of the dangers to children of orphanage voluntourism.

"The Paradox of Orphanage Volunteering: Combating Child Trafficking through Ethical Voluntourism"



British Embassy



Liberté • Égalité • Fraternité
RÉPUBLIQUE FRANÇAISE



Empowerment Project

The objective of this project is to empower a group of youth who have been disadvantaged by trafficking and displacement to become strong and independent citizens of Nepal.



As a young boy Bikash was trafficked from his village in Humla by an individual who promised to protect, educate and care for him in Kathmandu. He was eventually rescued and ended up in Little Princes Children's Home where he was given his first opportunity to learn. He couldn't read or write, which caused much frustration for him at school. Instead of getting discouraged and quitting, though, he worked even harder. His dedication and determination to his studies paid off. He began to excel in his classes and earn high marks. Now, under the support of NGN, Bikash is well on his way to becoming a dentist, a career he plans to utilize for the benefit of his fellow Nepalis.



NGN's Empowerment Program offers scholarships and mentoring to a few young people from Humla under NGN's that were trafficked during the conflict and kept in orphanages for a prolonged period of time. To receive a scholarship, the young person must be fully and legally reunified, be reacquainted with their home culture, language and customs and show real academic promise. This June, six of our youths have passed the exams for their School Leaving Certificates with great results.

Educational support by NGN for those rescued children:

12

College Support

5

University Support

13

Kids In Secondary School



Donor Level

Particulars	FY 2011-12	FY 2012-13	FY 2013-14
Champions \$50K+	\$290,000	\$50,000	\$165,000
Sustainers \$10K-\$50K	\$116,402	\$112,597	\$126,403
Advocates \$5K-\$10K	\$32,800	\$19,749	\$34,970
Sponsors \$2.5K - \$5K	\$21,354	\$5,000	\$49,585
Individuals \$0-\$2.5K	\$101,312	\$71,654	\$157,524
Total	\$561,868	\$258,998	\$533,729



Karnali Home

COST PER MONTH: \$75 / COST PER YEAR: \$895

This figure shows the average cost for NGN/THIS to care for a trafficked or displaced child in a transit home.



Reunification

COST PER MONTH: \$35 / COST PER YEAR: \$420

This figure shows the average cost for NGN/THIS to work towards supporting the rescue of a trafficked or displaced child from an exploitative orphanage. It helps find a child's family, reconnect and/or reunify a child with his or her family and monitor and support a child's family to ensure the child is never trafficked again.



Empowerment (Senior)

COST PER MONTH: \$156 / COST PER YEAR: \$1,877

These figures show the average cost for 1 year for NGN/THIS to support one ex-trafficked youth in Kathmandu to become educated, confident and independent. It includes support towards educational fees and material support to study, one-on-one mentoring, shelter, food, medical costs and leisure costs.



Empowerment (Junior)

COST PER MONTH: \$144 / COST PER YEAR: \$1,733

The Impact of Your Donation

20

working relationships have been created between NGN/THIS and other I/NGOs through which we have helped to reconnect and reunify children.

27

civil society organizations, Government bodies or individuals have been trained and/or technically advised by NGN/THIS in our methodology and approach.

33

youth have been supported by NGN/THIS through some or all of the following: support towards educational fees and material support at SLC, +2, diplomas or bachelor level; as well as one-to-one mentoring, shelter, food, medical costs and leisure costs.

5

diplomatic missions in Nepal have changed their travel advice to warn against orphanage voluntourism as a result of NGN advocacy.



In 2012, NGN instigated the debate into the links between orphanage volunteering and child trafficking. Before this time, most people were unaware that fee-paying foreign volunteers were creating the incentive in Nepal for children to be displaced from their families and put in orphanages where they are used as “poverty commodities.” Since this time, NGN has successfully lobbied at least six Western embassies in Nepal to publish travel warnings; launched one high-profile report—“The Paradox of Orphanage Volunteering”—with support from UNICEF Nepal; spoken at events to audiences in three continents (Asia, Europe and North America); been talked about in 53 media articles and blogs across the world; and begun a dialogue with the tourism industry. Through this work NGN has exposed to the world a hidden yet preventable tragedy that harms thousands of innocent children each year.



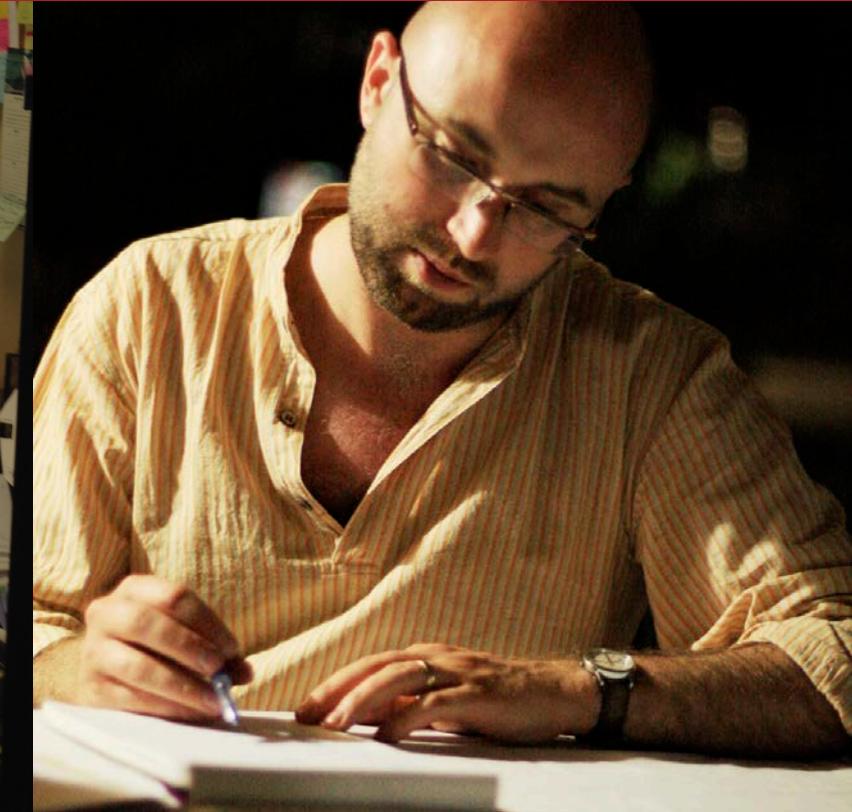


Governance

To ensure the highest quality programs for our beneficiaries, as well as to ensure our donors have complete faith in our integrity, NGN operates to highest standards of governance, management and transparency. NGN in the United States and Nepal, as well as our local implementing partner in Nepal, are subject to annual financial audits and on-site monitoring by NGN Board members and staff. Our finances operate according to GAAP, our human resources are underscored by a rigorous Personnel Policy Manual, and our programs are subject to child protection and other risk-prevention policies.

“Next Generation Nepal has carefully selected a Board of Directors that we believe will bring the kind of passion, experience and skill to the organization that the children of Nepal deserve. Above all, we believe in integrity, transparency and compassion. The members of our Board embody all of these qualities. We are proud to have them and grateful for their service in helping to reconnect trafficked children with their families in Nepal.”

- Conor Grennan, Founder and President of the Board of Next Generation Nepal



Next Generation Nepal Profit & Loss

July 2013 through June 2014

	Jul '13 - Jun 14
Ordinary Income/Expense	
Income	
Direct Public Grants	
Corporate and Business Grants	2,017.00
Foundation and Trust Grants	50,341.51
Nonprofit Organization Grants	49,173.00
Total Direct Public Grants	<u>101,531.51</u>
Direct Public Support	
Corporate Contributions	2,136.91
Individ, Business Contributions	431,701.70
Total Direct Public Support	<u>433,838.61</u>
Investments	
Nepal Interest Earned	364.67
Interest-Savings, Short-term CD	162.71
Total Investments	<u>527.38</u>
Other Types of Income	
Miscellaneous Revenue	131.84
Other Types of Income - Other	4,317.05
Total Other Types of Income	<u>4,448.89</u>
Total Income	<u>540,346.39</u>
Expense	
Facilities and Equipment	
Depr and Amort - Allowable	203.00
Total Facilities and Equipment	<u>203.00</u>
Nepal Operations	
NGN Nepal Office & Admin	56,219.99
NGN Nepal Reunification	13,133.97
NGN Nepal Karnali Home	12,092.62
NGN Nepal Humla Home	0.00
NGN Nepal Strengthening GON	4,242.65
NGN Nepal Ethical Volontourism	10,628.90
NGN Nepal Empowerment Project	16,398.78
NGN Nepal Capacity Building	2,202.35
NGN Nepal Project Evaluation	915.00
THIS Office & Admin	8,566.00
THIS Reunification Expenses	28,765.00
THIS Karnali Home Management	18,667.00
THIS Humla Home Management Exps	0.00
THIS Empowerment Project	54,280.00
Ram GAP Training	564.80
other	283.00
Total Nepal Operations	<u>226,960.06</u>
Operations	
Business Expenses	
Business Registration Fees	125.00
Fines, Penalties, Judgments	60.69
Total Business Expenses	<u>185.69</u>
Payroll	
Payroll Tax Expense	5,768.77
Total Payroll	<u>5,768.77</u>
Travel and Meetings	
Travel	4,112.51
Travel and Meetings - Other	35.00
Total Travel and Meetings	<u>4,147.51</u>

Next Generation Nepal Profit & Loss

July 2013 through June 2014

	Jul '13 - Jun 14
Other Types of Expenses	
Gala 2014	53,814.35
Food & Entertainment	600.75
Training	170.90
Advertising Expenses	594.00
Insurance - Employee Health	4,407.79
Insurance - Liability, D and O	819.00
Other Costs	3,141.20
Total Other Types of Expenses	<u>63,547.99</u>
Computer Software and Services	499.91
Merchant and Bank Fees	7,514.66
Office Equipment	209.98
Office Supplies	1,523.02
Postage, Mailing Service	907.87
Printing and Copying	680.25
Rent, Parking, Utilities	10,297.21
Telephone, Telecommunications	1,978.40
Total Operations	<u>97,261.26</u>
US Nepal Management	
Communications	11,585.00
Accounting Fees	6,290.00
Development Associate	8,011.50
Total US Nepal Management	<u>25,886.50</u>
Total Expense	<u>350,310.82</u>
Net Ordinary Income	<u>190,035.57</u>
Net Income	<u><u>190,035.57</u></u>

Next Generation Nepal Balance Sheet

As of June 30, 2014

	Jun 30, 14
ASSETS	
Current Assets	
Checking/Savings	
Bank of America - Checking	37,879.41
Bank of America - Savings	397,034.77
Bank America Scholarship Fund	4,651.05
Bank of America Emergency Fund	43,309.00
Petty Cash	687.42
Total Checking/Savings	483,561.65
Accounts Receivable	
Accounts Receivable	1,669.59
Total Accounts Receivable	1,669.59
Other Current Assets	
Anna Nepal Spring 2014	344.30
Ram GAP training	-169.27
Anna Nepal Spring 2013	69.43
Advance Payment	45.00
Nepal Program Advances	34,291.52
Undeposited Funds	1,202.14
Total Other Current Assets	35,783.12
Total Current Assets	521,014.36
Fixed Assets	
Furniture and Equipment	
Accum Depr - Furn and Equip	-1,546.10
Furniture and Equipment - Other	2,896.66
Total Furniture and Equipment	1,350.56
Total Fixed Assets	1,350.56
TOTAL ASSETS	522,364.92
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	4,347.99
Total Accounts Payable	4,347.99
Other Current Liabilities	
Oregon Tax Liability	328.12
Federal Form 941 Taxes	3,528.86
Total Other Current Liabilities	3,856.98
Total Current Liabilities	8,204.97
Total Liabilities	8,204.97
Equity	
Restricted Funds	
Rescue Emergency Fund	43,309.00
Scholarship Funds	4,651.05
Total Restricted Funds	47,960.05
Opening Balance Equity	29,234.06
Unrestricted Net Assets	246,930.27
Net Income	190,035.57
Total Equity	514,159.95
TOTAL LIABILITIES & EQUITY	522,364.92

Next Generation Nepal Statements of Cash Flow

July 2013 through June 2014

	Jul '13 - Jun 14
OPERATING ACTIVITIES	
Net Income	190,035.57
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-1,669.59
Anna Nepal Spring 2014	-344.30
Ram GAP training	564.80
Nepal Program Advances	-34,040.67
Accounts Payable	4,347.99
Oregon Tax Liability	-306.22
Federal Form 941 Taxes	1,552.67
Net cash provided by Operating Activities	160,140.25
INVESTING ACTIVITIES	
Furniture and Equipment: Accum Depr - Furn and Equip	203.00
Net cash provided by Investing Activities	203.00
FINANCING ACTIVITIES	
Restricted Funds: Rescue Emergency Fund	43,309.00
Restricted Funds: Scholarship Funds	4,651.05
Unrestricted Net Assets	-47,960.05
Net cash provided by Financing Activities	0.00
Net cash increase for period	160,343.25
Cash at beginning of period	324,420.54
Cash at end of period	484,763.79



Next Generation Nepal

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Photo Credit

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