

Company no. 2343358  
Charity no. 328434

# ChildHope



## **Report and Financial Statements**

### **31 December 2009**

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## ChildHope (UK)

### Report of the Trustees

#### For the year ended 31 December 2009

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The Trustees present their report and the audited financial statements for the year ended 31 December 2009.

#### Objectives

ChildHope was founded in 1989 with the following objectives:

'The objects for which the Company is established are the relief of need, hardship and distress arising there from among those persons known as street children being children and young people under the age of majority who live without the proper support of parents or other guardians and without proper and adequate shelter and the protection of the mental and physical health of such persons all with a view to improving their conditions of life so that they may grow to full maturity as individuals and members of the community.'

In the last twenty years we have broadened our support for organisations from funding to offering a range of services including training, mentoring and advocacy. Our national and local partner organisations have embraced more ambitious strategies to working with children and youth (young people), preventing as well as reducing problems and seeking longer-term solutions. The roles and voices of young people have grown as well; they are no longer treated as victims in need of rescue but as innovative social actors with the capacity to help themselves and others as well.

Our mission is to work towards social justice for girls, boys and youth (under 25 years old) by addressing situations where their rights are violated as a result of abuses of power, poverty, and violence. Social justice is only possible if we improve children's lives and also change the rules and practices that govern states and society. Currently we work with partner civil society organisations in Africa, Asia and South America to reduce and prevent violence against children and young people. In partnership we aim to: (a) reduce child abuse and exploitation; (b) improve child justice and participation; and (c) promote the rights of children affected by HIV and/or AIDS.



ChildHope's specific aim is to improve the processes of international aid and development for children so that children's lives are improved profoundly and sustainably.

We concentrate our partnerships in the following **countries**:

South Asia:	Bangladesh and India
Africa:	Ethiopia, Kenya, Sierra Leone, South Africa, Tanzania, Uganda
South America:	Brazil and Peru

# ChildHope (UK)

## Report of the Trustees

### For the year ended 31 December 2009

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#### Activities and achievements

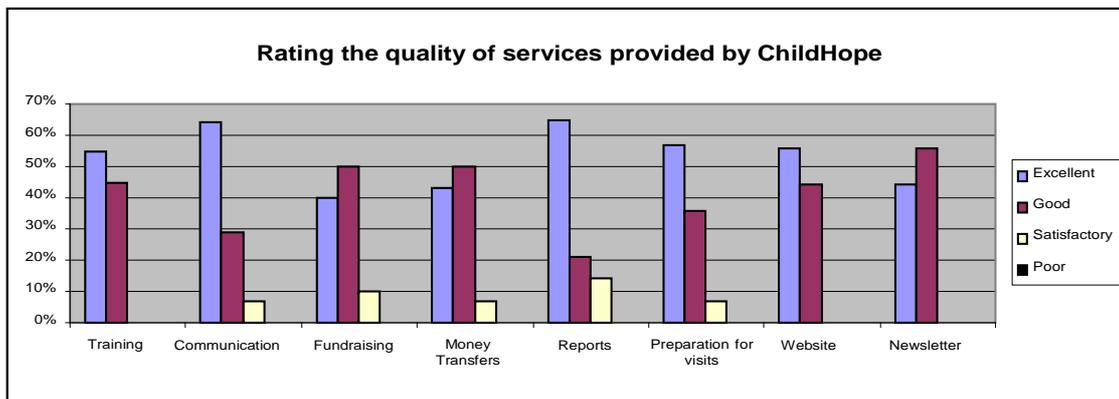
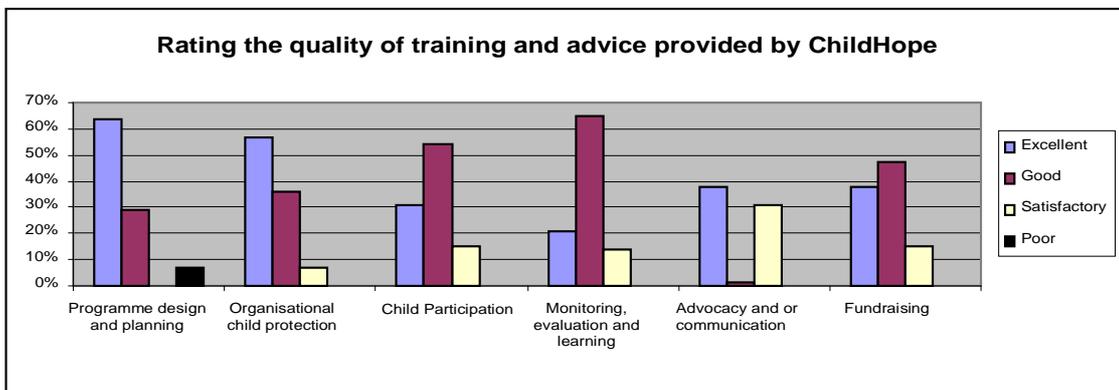
We set ourselves four objectives for 2009. During the year we achieved the following:

1. **Support partner local organisations to develop their capacity to promote social justice for children and young people.**

During 2009 ChildHope worked intensively with 30 local partner organisations in ten countries, offering a mixture of technical and financial support. In Uganda the impact of our programmes was independently assessed: with partners we educated 52,000 out-of-school children about the risks of HIV over five years. With partners in Peru, South Africa and Uganda we developed new programmes to reduce violence, prevent HIV and tackle sexual abuse. With Projeto Legal in Brazil we trained all staff on organisational child protection. Our Trustees visited Bangladesh, Ethiopia and Sierra Leone and provided advice on governance, financial management, and evaluation.

ChildHope always follows the principle of enabling national organisations to develop their own locally appropriate and participatory approaches and exemplary standards of work. We continue to support rather than impose. ChildHope's flexible, transparent and individual approach to working with partner organisations was rated highly by partners in informal feedback received during visits. For example, a colleague in Africa reflected on ChildHope: "we say whatever we feel and they always consult us before doing anything ... ChildHope shows flexibility and allows changes if there is a good reason."

In response to an anonymous web-based survey, we received the following results:



## ChildHope (UK)

### Report of the Trustees

#### For the year ended 31 December 2009

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Clear strengths emerged including ChildHope staff's skill in drafting reports, organisational child protection, organisational skills, training and communication. We compared the results on communication with last year:

2008 Communication Quality		2009 Communication Quality	
Excellent	33%	Excellent	64%
Good	59%	Good	29%
Satisfactory	0%	Satisfactory	7%
Poor	8%	Poor	0%

Examples of specific feedback on communication include:

*"It is very satisfactory because we have received very timely support. The relationship became very close, that is, communication is constant, respectful and affectionate".*

*"It is a supportive relationship characterized with mutual trust, confidence, cooperation, openness and transparency among others."*

In the eyes of partners we did well in other areas too:

*"ChildHope seems to be a highly experienced development partner. We have appreciated their insights and experience, especially the wisdom, enthusiasm and active involvement of their programme officers."*

*"ChildHope's support to staff capacity building in financial management, child rights protection and related skills has been excellent!"*

*"Our relationship with CH is good as a result of their dependability. The training programmes for staff have improved our work greatly, more than any other partnership. It has given us national recognition."*

*"CHUK worked on a co-worker basis, not on a boss-subordinate principle or a top-down approach."*

Most significantly, our support helped local and national organisations to achieve sustainable change for girls, boys and youth:

*"Boys and girls are more aware about child right issues and the obligations as they enjoy these rights. Children who have come in contact with us treat every service provided for them as a life saving opportunity to better themselves and their families."*

*"There is much improved child protection systems for boys and girls, which was developed with the help of ChildHope both on the streets, in the target communities we work and at the residential centres."*

## ChildHope (UK)

### Report of the Trustees

#### For the year ended 31 December 2009

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However, according to some partners ChildHope needs to improve its training in the following areas: advocacy, communication, fundraising, child participation, as well as monitoring, evaluation and learning. ChildHope will focus on improving support on child participation and monitoring, evaluation and learning in 2011.

#### Ahmed, Delhi

When Ahmed was 10 his father died and he went to Delhi to earn a living. He found and sold bottles, newspapers, and other rubbish at the railway station. The police took him to a government children's home. He ran away from this 'prison' and took to 'rag picking' again. Then he made contact with staff from Butterflies, one of ChildHope's partner organisations in India. He became a member of the children's savings scheme, an initiative supported by ChildHope to encourage street and working children to save money. He studied hard but also saved for his mother and siblings back in Allahabad, so that they could start building a brick and cement house. After three and a half years he had saved enough. He returned home to his village with gifts for his family and enough money for a house. He has started a new life and opened a small grocery shop.

2. *Implement our strategy for developing ChildHope staff's understanding, training and advice on three areas: child protection; gender; and monitoring, evaluation and learning.*

2009 was an exciting year for developing our three learning themes: child protection, gender justice, and monitoring, evaluation and learning. On **child protection** we continued to work closely with partners to develop their capacity to prevent harm to children in their care but also to reduce violence in wider society. We have begun updating our training materials to take children's views about protection more seriously. Internally we updated our own child protection policies and procedures.

In the area of **gender justice** our progress included: undertook an assessment of partners' needs; offered practical advice to partners on how to improve the gendered aspects of their work; developed a research proposal with three partners (in South Africa, Brazil, and the UK) on improving our understanding of violence in families; and increased our presence in networks, such as the Gender and Development Network, particularly championing improved links between women's rights and child rights organisations.

On **monitoring, evaluation and learning** we provided technical support to partners in Bangladesh, Ethiopia and Sierra Leone on assessing change and using appropriate and practical tools to do this. We have enabled partners to experiment with a range of approaches, including qualitative, participatory methods as well as a quantitative impact evaluation. We have worked with partners to look at how we measure not only progress against our objectives but also how effective we are at working with children, youth and their families. With all partners and donors we constantly review and discuss how we can balance donor contractual reporting obligations with more qualitative monitoring and evaluation processes.

# ChildHope (UK)

## Report of the Trustees

### For the year ended 31 December 2009

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3. **Benefit larger numbers of children through advocacy and promoting policies and practices that promote social justice for girls, boys and youth effectively.**

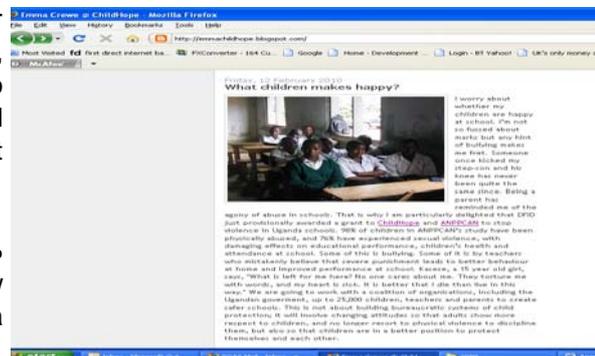
In 2008 ChildHope and partners improved the lives of 30,696 young people – 14,688 female and 16,008 male. Last year the gender balance switched. In 2009 16,975 girls or young women and 14,080 boys or young men, a total of 31,535, benefited as a result of our programmes. At least 1.5 million other young people, or their families, and 62 schools also gained through our work.

As a direct result of our small but strategic grants to organisations through ChildHope’s New Initiatives Scheme we were able to help two new partners:

- Our support for Instituto NOOS (Brazil) to improve their resources for working with families at risk led to longer-term funding and support from local government, which will allow them to work with a far larger number of families.
- SINANI (South Africa) developed and translated education materials, making them accessible to isiZulu-speaking children affected by AIDS, poverty and abuse. This greatly enhanced children’s participation in identifying problems and solutions which is in turn increasing the impact of their project.

ChildHope enhanced its learning, communications and advocacy during the year:

- We have streamlined the process for disseminating our quarterly newsletter, using our new website resources to share it with even more supporters and in a much more timely and efficient fashion.
- Our new website attracted a 53% increase in web hits. We have an new on-line shop, a new donation facility, a new project spotlight, and regular blogs.
- We shared our resources on doing advocacy in coalition in South Africa on the Child Rights Information Network and used the learning from this to inform our programme development in Peru.
- We showcased partner’s work and supported their campaigns, such as improving guidelines on alternatives to institutional care and closing a notorious youth detention centre in Brazil.
- We hosted two learning exchange visits to the UK by partners from Brazil and South Africa. We used these opportunities to raise awareness with other UK based organisations working on similar issues, creating links, for example, between Projeto Legal in Brazil and Amnesty International in the UK.



## ChildHope (UK)

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- ChildHope's Director is joint co-ordinator, with Oxfam, of Bond's engagement with Comic Relief. (Bond is the largest UK network of organisations working in international development.) During 2009 we undertook a consultation with the network about Comic Relief's new strategy and systems, relayed this to Comic Relief and then collaboratively agreed on improvements.
  - ChildHope continued to advise donors on organisational learning with other members of Bond's Organisational Learning Working Group and drafted Bond's submission to the Department for International Development's (DFID) consultation on evaluation.
  - ChildHope co-ordinated the submission to DFID's consultation on their White Paper 09 of the DFID/CSO Child Rights Working Group (as a Steering Group member), a network of international organisations promoting child rights. As part of this network we also gave advice about working with children to DFID's Security and Justice Team, the FCO Child Rights Panel and to the DFID/Nike Foundation joint programme.
  - ChildHope's programme preventing AIDS in South Africa was showcased in DFID's latest White Paper (DFID, 2009, Building a Common Future, p134).
  - As members of the Keeping Children Safe Coalition Steering Group, of which we are Secretary, we provided advice and support to a wide range of agencies and donors to influence them to incorporate child protection into their work.
4. ***Reduce our dependency on three large donors.*** *To ensure our independence and greater responsiveness to partner local organisations, we will seek greater support from new institutional funders, individuals, corporates and trusts.*

We submitted applications to our existing donors – including Comic Relief, DFID, Jersey and Overseas Aid. We secured £885k funding from Comic Relief for a new programme enabling street and working children to gain access to education in Sierra Leone, run by Help A Needy Child International; £499k from DFID to reduce abuse in schools in Uganda with the ANPPCAN; and £27k from Jersey Overseas Aid to reduce violence against girls in Nairobi with Pendekezo Letu.



An anonymous foundation donated £80k to reduce child labour in Peru and to provide informal education to children in Afghanistan. We also submitted applications to new or lapsed donors, including Guernsey Overseas Aid, Isle of Man, European Commission, British Academy, AusAid and various trusts and foundations.

Despite a difficult economic climate, we raised more income than expected especially from a BBC Lifeline Appeal. The Appeal filmed Konnie Huq (ex-Blue Peter presenter) visiting a project we support in Bangladesh which protects and supports sexually exploited and abused children. The appeal received extremely positive feedback from viewers and we recruited new regular givers as well as receiving over £35k as a result of the film.

## ChildHope (UK)

### Report of the Trustees

#### For the year ended 31 December 2009

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We attracted three new major individual supporters: an anonymous donor donated almost £10k online; celebrity chef Hugh Fernley-Whittingstall agreed to be a new patron and, with his wife Marie Derome, donated £10k; and a third gave us £20k in response to the BBC appeal. We launched our new website offering a much easier way for supporters to keep up to date with our work and our latest fundraising initiatives. We increased the proportion of donations identified as Gift Aid eligible as a result of improved internal systems. We had seven runners in the Greenwich 5k Santa Run, four individual runners in a variety of races and seven supporters who took part in parachute jumps. We also continued to recruit new payroll givers throughout the year.

#### Mutu, Eritrea

When I was 14, my father was sent to fight in the Ethio-Eritrean war. After he left, my already poor family really started to suffer. We had to live on 3 Birrs a day (23 pence). We could not survive. As the eldest daughter in the family, I felt I had a duty to help the family. The fastest way to earn money was to get involved in sex work. There is a big demand from tourists and locals. I hated it, but I could earn 15-20 Birrs a day. My family could at least survive. I was a sex worker for 4 years. I had many problems, such as physical and sexual abuse, regular illness, mental disturbance, neglect by the community, frustration and loss of self respect.

In one way, I have been lucky. I met someone from Children's Aid – Ethiopia (CHADET), a local project supported by ChildHope. I joined their programme. They offered me counselling, educational support, medical care and training in new job skills as well as simply a safe place to eat and wash. Now I am old enough, I have been enrolled for training in driving. In 4 months I will get a 2nd level driving license, so I can get a job as a driver and not have to go on the streets anymore. HIV/AIDS is spreading fast in Ethiopia and I am lucky to be alive. Now, I have so much catching up to do – in school and in life.

We continue to receive loyal support from trusts and foundations and increasing numbers of individuals. We would like to thank our major donors and supporters:

Alex Jacobs	Jacob Aitkens
The Allan Charitable Trust	Navchetna BV Charitable Trust
A&S Burton 1960 Charitable Trust	Nicholas Crace
Buckfast Spinning	Nicola Stephens
Capital Research International	Parish of Llwyndrew
CC Systems UK Ltd	Sally Ashburton
The Cheruby Trust	Stanley Thomas Johnson Foundation
The Dennis Alan Yardy Charitable Trust	The Hillcote Trust
The Ellerdale Trust	The Madeline Mabey Trust
E M Donovan	The Marie Luen Charitable Trust
The Eva Reckitt Trust Fund	The Maurice and Hilda Laing Charitable Trust
Evelyn May Trust	The Paget Charitable Trust
The Forest Hill Charitable Trust	The Rhododendron Trust
The Fulmer Charitable Trust	The Serve All Trust
The Geoffrey Morrell Trust	Through Transport Mutual Services (UK) Ltd
The Gould Charitable Trust	Usborne Publishing Ltd
Holman Fenwick & Willan	The Vassiliou Charitable Trusts
Hugh Fernley-Whittingstall and Marie Derome	The Windfall Trust
J & K Brocklebank	

## **ChildHope (UK)**

### **Report of the Trustees**

#### **For the year ended 31 December 2009**

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We would also like to thank those who gave us pro-bono advice and assistance during 2009, including Holman Fenwick Willan, Social Research Unit, Vicky Cosstick, Google, numerous NGOs and volunteers.

#### **Objectives for 2010**

Next year we will continue to:

1. *Support partner local organisations to develop their capacity to promote social justice for children and young people and to make progress on child protection, gender justice and monitoring, evaluation and learning.* We will continue to: access funding for local and national partners to reduce and prevent violence against children; increase our number of programmes; and train and support them to (a) strengthen both child protection and participation; (b) improve the links between reduction of child abuse and violence against women; and (c) enhance both evaluation of impact and learning about practice.
2. *Benefit larger numbers of children through advocacy and promoting policies and practices that contribute to social justice for girls, boys and youth effectively.* We will improve our understanding and communication of our achievements and secure greater commitment to child protection from our donors.
3. *Reduce our dependency on three large donors through greater support from institutional funders and individuals.* Our strategy during 2011 is to maintain support from trusts, corporates and major individual donors and invest in direct marketing with a view to increasing support from individual givers in the longer-term.

#### **Financial review**

##### *Financial position*

ChildHope is in a sound financial position. In 2009 our income was £1,932k while our expenditure was £1,895k. Of our expenditure, £1,743k (92%) was distributed to local partner organisations or spent on capacity development and £152k (or 8%) was used on fundraising, administration and governance. General reserves of £160k were carried forward on 31 December 2009.

##### *Reserves policy*

The Trustees' reserve policy ensures that ChildHope maintains sufficient general fund reserves to be able to continue in "normal" existence for three months followed by an "orderly" curtailment of activities over the following three months if necessary. The policy is reviewed annually. The Trustees aim to hold, therefore, between four and six months of budgeted general fund, as unrestricted funds, to reflect these legal and fiduciary obligations. The level of reserves required in the general fund is reviewed with the budget every six months. As at 31 December 2009 the desired reserve level within the general fund was £131k. As at 31 December 2009 the level of reserves was £160k (December 2008: £124k).

## ChildHope (UK)

### Report of the Trustees

#### For the year ended 31 December 2009

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##### *Investment policy*

ChildHope holds the restricted funds it receives until these are ultimately distributed to the projects supported by the organisation. ChildHope is risk adverse and thus funds are invested primarily in interest bearing deposit accounts with reputable UK banks and institutions. To the extent donations are received other than in cash, these are generally sold and converted into cash, which is placed on deposit as stated above.



##### **Structure, governance and management**

A team of twelve manage ChildHope's resources, office and partnerships, including an Executive Director and a team of three senior managers. The identity and experience of our staff is diverse: 80% female and 20% male; 40% Black or Asian and 60% White; and with origins in Argentina, Britain, Burma, Greece, India, Jamaica, and Uganda. Between us we speak Bengali, Burmese, English, French, Greek, Hindi, Luganda, Lusoga, Mandarin, Portuguese, Spanish, and Swahili. In 2009 significant assistance was received from 22 volunteers. The volunteers, many of whom were undertaking post graduate studies, come from many disciplines and with much valued skills and varied backgrounds. In 2009 they worked a total of 558 days, providing the equivalent of almost two and half full time posts, which would have cost ChildHope approximately £64k to fund. As examples of the range of work carried out they:

- Researched potential donors and aspects of our learning themes
- Submitted applications to trust and foundations
- Assisted with programme administration and fundraising events
- Edited reports and translated materials
- Reviewed feedback from our local partner organisations and analysed progress of our joint programmes

ChildHope operates under the guidance of a Board of Trustees. In addition, some Trustees serve on Fundraising and Programmes Sub-Committees in support of the staff. Matters of strategy, policy, programme and budgetary planning and monitoring reports are presented for deliberation and either approval or modification by the Board of Trustees on a regular basis. The respective roles of Trustees and the staff are outlined in ChildHope's governance documents:

Ensuring good governance in the work of ChildHope  
Terms of Reference for the Board  
Terms of Reference for the Audit Committee  
ChildHope Powers reserved to the Board  
Job Description for Chair of ChildHope Trustee Body  
Code of Conduct for ChildHope Trustees  
Code of Conduct for Chief Executive of ChildHope  
(Copies of these are available from our office on request.)

## **ChildHope (UK)**

### **Report of the Trustees**

#### **For the year ended 31 December 2009**

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#### **Trustees**

The Trustees 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 its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trustees, who constitute directors of the charity for Companies Act purposes, are:

William Brewis	Angela Melchiorre
Carolyn Clarke	Chris Mowles
Michael Little	Maria Pemberton
Richard Livesey-Haworth (Chair)	Katherine Swan
Paul Marvell	Helen Turnbull (Treasurer)

Three sit on one formal Committee – the Audit and Remuneration Committee – the Chair, the Treasurer plus one Trustee – while three sit on the advisory Programme Sub-Committee and three on the Fundraising Sub-Committee.

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 December 2009 was 10 (2008: 14).

#### **Method of appointment or election of Chair and Trustees**

##### *Chair*

A selection committee of Trustees is appointed. Existing Trustees may express an interest in the role. Other individuals may be identified, recommended and headhunted. Where this is unsuccessful, the post is advertised. A job description is drawn up to supplement the Trustee Code of Conduct. Interested parties meet the Executive Director (ED) who explains the work of ChildHope and the duties and responsibilities of the Chair. A panel, chaired by the head of the selection committee, then interviews candidates, with the ED sitting as an observer.

##### *Trustees*

Vacancies are advertised when gaps have been identified. In addition, nominations may be made by staff, other Trustees (including the Chair), other NGOs, or may be self-referring. The would-be Trustee receives an information pack and submits an application. If they meet the criteria for new Trustees, they visit ChildHope and meet the ED and the Chair of Trustees, or another Trustee. If confirmed as suitable, then the Chair or one Trustee propose the applicant for election at a meeting of the Board of Trustees, giving fourteen days' notice to all Trustees. If elected, the person is entered as a member of the Company on the Register.

During 2009 skills and experience gaps in the Board were identified and two new Trustees were appointed: Angela Melchiorre, whose experience spans child rights, education and research and Paul Marvell with extensive experience of fundraising and human resources.

The ED and Chair ensure that each new Trustee is trained in child protection and given an induction into the various activities of the charity. Appropriate training in governance, child protection and finance is offered to Trustees regularly. They review their performance annually at a Board away-day.

## ChildHope (UK)

### Report of the Trustees

For the year ended 31 December 2009

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#### Risks

Risks are assessed alongside the development of plans and strategy. A risk assessment is conducted monthly as part of our on-going review and planning. The Audit and Remuneration Committee formally reviews the Risk Register once a year. Risks are reviewed against both their likelihood of occurrence and the severity of their impact.

The greatest potential risk to ChildHope in the short-term is a fall in funding, either in one of the unrestricted sources of support or in grants from one of our three largest statutory donors. During 2009 the fundraising team secured three new major individual donors and will continue to scale-up our direct marketing. The programmes team identified new institutional donors during the year including governmental and trust/foundation grant-makers. These two strategies should improve our financial sustainability and ability to support the work of our local partner organisations.

#### Statement of Trustees' responsibilities

Company law requires the Trustees to prepare financial statements for each financial year, which gives a true and fair view of the state of affairs of ChildHope and of the income and expenditure of ChildHope for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its operations.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on ChildHope's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

#### Trustees' statement of disclosure of information to auditors

The Trustees confirm that, for all Trustees in office at the date of this report:

- So far as each Trustee is aware, there is no relevant audit information of which the company's auditors are unaware. For this purpose, "relevant audit information" comprises the information needed by the company's auditors in connection with preparing their report.

## **ChildHope (UK)**

### **Report of the Trustees**

#### **For the year ended 31 December 2009**

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- Each Trustee has taken all the steps (such as making enquiries of other Trustees and the auditors and any other steps required by the Trustee's duty to exercise due care, skill and diligence) that he or she ought to have taken in his or her duty as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Auditors**

As part of their corporate governance procedures and in line with best practice, the Board carried out an audit tender exercise in 2006, subsequently appointing Sayer Vincent as its auditors. Their service was reviewed in 2009 by the Audit Committee and they were re-appointed by the Board on the recommendation of the Audit Committee.

The auditors, Sayer Vincent, have expressed their willingness to be reappointed and a resolution concerning their re-appointment will be proposed at the next Annual General Meeting on 20th April 2010.

By Order of the Board

Emma Crewe  
Company Secretary

## **Independent auditors' report**

### **To the members of**

#### **ChildHope (UK)**

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We have audited the financial statements of ChildHope (UK) for the year ended 31 December 2009 which comprise the statement of financial activities, balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

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

#### **Respective responsibilities of the Trustees and auditors**

The responsibilities of the Trustees (who are also the directors of ChildHope (UK) for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the statement of responsibilities of the Trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' annual report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

We read the Trustees' annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Independent auditors' report

To the members of

**ChildHope (UK)**

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### Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' annual report is consistent with the financial statements.

Pamela Craig  
for and on behalf of Sayer Vincent, Statutory Auditors

### **SAYER VINCENT**

8 Angel Gate  
City Road  
LONDON  
EC1V 2SJ

4 May 2010

## ChildHope (UK)

### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2009

			<b>2009</b>	2008	
	Note	Restricted £	Unrestricted £	Total £	Total £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	1,478,172	261,734	<b>1,739,906</b>	2,255,834
Investment income		-	1,731	<b>1,731</b>	17,154
<i>Incoming resources from charitable activities</i>					
Workshops and consultancy		-	190	<b>190</b>	2,025
Management of projects		189,987	-	<b>189,987</b>	205,018
<b>Total incoming resources</b>		<u>1,668,159</u>	<u>263,655</u>	<b>1,931,814</b>	<u>2,480,031</u>
<b>Resources expended</b>					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income	3	-	131,375	<b>131,375</b>	165,043
<i>Charitable activities</i>					
Reducing and preventing violence against children		1,424,540	-	<b>1,424,540</b>	2,008,974
Capacity development		243,619	74,764	<b>318,383</b>	345,742
Governance		-	21,103	<b>21,103</b>	23,208
<b>Total resources expended</b>		<u>1,668,159</u>	<u>227,242</u>	<b>1,895,401</b>	<u>2,542,967</u>
<b>Net incoming / (outgoing) resources</b>		-	36,413	<b>36,413</b>	(62,936)
<b>Reconciliation of funds</b>					
Total funds brought forward		-	123,982	123,982	186,918
<b>Total funds carried forward</b>		<u>-</u>	<u>160,395</u>	<b>160,395</b>	<u>123,982</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

## ChildHope UK (Limited by guarantee)

### Balance sheet

31 December 2009

			2009	2008
	Note	£	£	£
<b>Fixed assets</b>				
Tangible fixed assets	7		<u>5,159</u>	<u>2,731</u>
<b>Current assets</b>				
Debtors	8	522,547		9,337
Cash at bank and in hand		<u>374,121</u>		<u>550,183</u>
		896,668		559,520
<b>Liabilities</b>				
Creditors: amounts due within one year	9	<u>(741,432)</u>		<u>(438,269)</u>
<b>Net current assets</b>			<u>155,236</u>	<u>121,251</u>
<b>Net assets</b>	10		<u>160,395</u>	<u>123,982</u>
<b>Funds</b>	13			
Restricted funds			-	-
Unrestricted funds				
General funds			<u>160,395</u>	<u>123,982</u>
<b>Total charity funds</b>			<u>160,395</u>	<u>123,982</u>

Approved by the Trustees on 20 April 2010 and signed on their behalf by

Richard Livesey-Haworth  
Chair

## ChildHope (UK)

### Notes to the financial statements

#### For the year ended 31 December 2009

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##### 1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).
- b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Income for provision of services is recognised in the financial statements as entitlement is achieved through performance of the service.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

- c) The value of services in kind included in the statement of financial activities is estimated to be the price that the charity would have to pay in the open market for an equivalent item.
- d) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- e) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- f) Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. The Trustees, having decided that the purpose of the fund designation had been achieved, transferred the unused balance back to the general fund.

The Trustees, having decided that the purpose of the fund designation had been achieved, transferred the unused balance back to the general fund.

- g) Costs of generating funds relate to the costs incurred by the charitable company in persuading third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose. Fundraising costs incurred that relate to fundraising for specific activity headings stated on the statement of financial activity are allocated to that heading.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- h) Distributions to partner organisations are recognised when there is a legal or constructive obligation committing the charity to the expenditure. A constructive obligation arises where events have created a valid expectation in other parties that the charity will discharge its obligations.

## ChildHope (UK)

### Notes to the financial statements

#### For the year ended 31 December 2009

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##### 1. Accounting policies (continued)

- i) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Capacity building and support	62%
Cost of generating funds	27%
Support costs	8%
Governance costs	3%

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

Capacity building and support	68%
Cost of generating funds	29%
Governance costs	3%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

- j) Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange at the time of the transaction. Exchange differences are taken into account in arriving at the net incoming resources for the year.
- k) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the minimum lease term.
- l) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer and office equipment	20% to 33% per annum
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Items of equipment are capitalised where the purchase price exceeds £100. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

- m) The charitable company makes contributions on behalf of its UK employees into their personal pension funds. The amounts charged in the Statement of Financial Activities represent the contributions payable to the funds in respect of the accounting period. Outstanding pension contributions at the year end are included in creditors. The charitable company has no liability other than to pay contributions into the scheme.

## ChildHope (UK)

### Notes to the financial statements

For the year ended 31 December 2009

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#### 2. Voluntary income

	Restricted £	Unrestricted £	2009 Total £	2008 Total £
Grants received Africa	815,967	-	<b>815,967</b>	1,016,763
Grants received Asia	391,085	-	<b>391,085</b>	522,070
Grants received South America	242,630	-	<b>242,630</b>	467,426
Trusts, foundations, corporate donations	16,890	72,111	<b>89,001</b>	107,980
Regular giving	-	124,372	<b>124,372</b>	111,294
Events, appeals, one-off donations	-	63,811	<b>63,811</b>	30,301
Services in kind	11,600	1,440	<b>13,040</b>	-
Total	<u>1,478,172</u>	<u>261,734</u>	<u><b>1,739,906</b></u>	<u>2,255,834</u>

ChildHope (UK)

Notes to the financial statements

For the year ended 31 December 2009

3. Total resources expended

	Cost of generating funds	Reducing and preventing violence against children	Capacity development	Governance costs	Support costs	2009 Total	2008
	£	£	£	£	£	£	£
Staff costs (Note 5)	76,394	-	185,505	10,645	25,434	<b>297,978</b>	349,988
Other staff costs	1,066	-	1,898	-	6,791	<b>9,755</b>	10,707
Distributions to partners Africa	-	799,535	-	-	-	<b>799,535</b>	1,008,029
Distributions to partners Asia	-	386,287	-	-	-	<b>386,287</b>	696,577
Distributions to partners South America	-	238,718	-	-	-	<b>238,718</b>	304,368
Other programme costs general	-	-	7,099	-	-	<b>7,099</b>	18,593
Other programme costs Africa	-	-	33,132	-	-	<b>33,132</b>	23,211
Other programme costs South Asia	-	-	11,088	-	-	<b>11,088</b>	8,736
Other programme costs South America	-	-	9,412	-	-	<b>9,412</b>	16,336
Fundraising costs	23,555	-	-	-	-	<b>23,555</b>	26,483
Office & premises costs	19,321	-	44,366	2,147	5,725	<b>71,559</b>	72,044
Audit & accountancy	-	-	-	7,143	-	<b>7,143</b>	6,900
Travel & subsistence	28	-	63	-	20	<b>111</b>	270
Trustees' costs	-	-	-	29	-	<b>29</b>	84
Trustees' reimbursed expenses	-	-	-	-	-	<b>-</b>	641
<b>Total resources expended</b>	<b>120,364</b>	<b>1,424,540</b>	<b>292,563</b>	<b>19,964</b>	<b>37,970</b>	<b>1,895,401</b>	<b>2,542,967</b>
Support costs	11,011	-	25,820	1,139	(37,970)	-	-
<b>Total resources expended after allocating support costs</b>	<b>131,375</b>	<b>1,424,540</b>	<b>318,383</b>	<b>21,103</b>	<b>-</b>	<b>1,895,401</b>	<b>2,542,967</b>

## ChildHope (UK)

### Notes to the financial statements

#### For the year ended 31 December 2009

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#### 4. Net incoming/(outgoing) resources for the year

This is stated after charging / crediting:

	<b>2009</b>	2008
	£	£
Depreciation	<b>1,921</b>	4,844
Operating lease rentals:		
▪ Land & buildings	<b>37,906</b>	37,808
▪ Equipment	<b>8,238</b>	5,996
Auditors' remuneration:		
▪ Audit	<b>7,143</b>	6,900
Trustees' remuneration	-	-
Trustees' reimbursed expenses	-	641
	<u><u>          </u></u>	<u><u>          </u></u>

Trustees' reimbursed expenses represents the reimbursement of travel and subsistence costs to nil (2008: 4) member relating to attendance at meetings of the Trustees.

#### 5. Staff costs and numbers

Staff costs were as follows:

	<b>2009</b>	2008
	£	£
<i>Staff costs</i>		
Salaries and wages	<b>262,599</b>	307,278
Social security costs	<b>26,327</b>	30,145
Pension contributions	<b>9,052</b>	12,565
	<u><u>297,978</u></u>	<u><u>349,988</u></u>

No employee earned more than £60,000 during the year (2008: 0).

The average weekly number of employees (full-time equivalent) during the year was as follows:

	<b>2009</b>	2008
	No.	No.
Number of employees		
Fundraising and publicity	<b>2</b>	2
Capacity building and support	<b>4</b>	5
Management and administering of the charity	<b>3</b>	3
	<u><u>9</u></u>	<u><u>10</u></u>

## ChildHope (UK)

### Notes to the financial statements

For the year ended 31 December 2009

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#### 6. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 7. Tangible fixed assets

	Computer and office equipment £
<b>Cost</b>	
At the start of the year	37,578
Additions in year	4,349
Disposals in year	<u>(10,099)</u>
At the end of the year	<u>31,828</u>
<b>Depreciation</b>	
At the start of the year	34,847
Charge for the year	1,921
Disposals in year	<u>(10,099)</u>
At the end of the year	<u>26,669</u>
<b>Net book value</b>	
At the end of the year	<u><u>5,159</u></u>
At the start of the year	<u><u>2,731</u></u>

#### 8. Debtors

	2009 £	2008 £
Grants	468,679	-
Other debtors	48,262	4,338
Prepayments and accrued income	<u>5,606</u>	<u>4,999</u>
	<u><u>522,547</u></u>	<u><u>9,337</u></u>

#### 9. Creditors: amounts due within one year

	2009 £	2008 £
Other creditors	3,277	6,009
Accruals	15,304	12,466
Amounts owing to partners	548,979	278,896
Deferred income	<u>173,872</u>	<u>140,898</u>
	<u><u>741,432</u></u>	<u><u>438,269</u></u>

## ChildHope (UK)

### Notes to the financial statements

For the year ended 31 December 2009

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#### 10. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	5,159	<b>5,159</b>
Current assets	721,184	175,484	<b>896,668</b>
Current liabilities	<u>(721,184)</u>	<u>(20,248)</u>	<u><b>(741,432)</b></u>
<b>Net assets at the end of the year</b>	<u>-</u>	<u><b>160,395</b></u>	<u><b>160,395</b></u>

#### 11. Operating lease commitments

The charity had contractual minimum commitments at the year end under operating leases expiring as follows:

	Land & buildings		Equipment	
	2009 £	2008 £	2009 £	2008 £
Less than 1 year	<b>19,690</b>	-	-	-
2 - 5 Years	<u>-</u>	<u>18,538</u>	<u><b>7,200</b></u>	<u>5,826</u>
	<u><b>19,690</b></u>	<u>18,538</u>	<u><b>7,200</b></u>	<u>5,826</u>

#### 12. Related party transactions

One of the Trustees donated £600 to the charity during the year for which they received no benefit in return.

ChildHope (UK)

Notes to the financial statements

For the year ended 31 December 2009

13. Movement in funds

Overseas Partner Agency	City	Country	Main activities	Note	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
<b>Africa</b>								
Children's Aid Ethiopia (CHAD-ET)	Addis	Ethiopia	Prevention of HIV and AIDS for marginalised urban youth	a	-	179,760	(179,760)	-
Children in Distress (CINDI)	Pietermaritzburg	South Africa	Strategies for improving access to health, housing and welfare rights of children and families affected by HIV/AIDS and other vulnerable children	b	-	47,148	(47,148)	-
Help a Needy Child International (HANCI)	Makeni & Bo	Sierra Leone	Reintegration, education and support for marginalised street girls and boys	c	-	236,986	(236,986)	-
Mkombozi	Moshi & Arusha	Tanzania	Protecting street and at risk children and young people by providing, supporting, strengthening and advocating for better community services in Arusha and Kilimanjaro regions	d	-	169,623	(169,623)	-
Pendekezo Letu	Nairobi	Kenya	Reintegration, education and support for marginalised street girls and boys	e	-	133,866	(133,866)	-
URHB/UYAAS	Kampala	Uganda	Community HIV and AIDS intervention programme in seven districts	f	-	176,219	(176,219)	-
<b>Restricted funds carried forward</b>					-	943,602	(943,602)	-

ChildHope (UK)

Notes to the financial statements

For the year ended 31 December 2009

13. Movement in funds (continued)

Overseas Partner Agency	City	Country	Main activities		At the start of the year	Incoming resources	Outgoing resources	Transfers	At the end of the year
					£	£	£	£	£
<b>Restricted funds brought forward</b>						943,602	(943,602)		
<b>South Asia</b>									
Aparajeyo	Dhaka	Bangladesh	Protecting sexually abused and exploited children	g	-	144,573	(144,573)		-
Aparajeyo	Dhaka	Bangladesh	Improving responses to children in contact with the law	h		70,790	(70,790)		
Butterflies	Delhi	India	Children's Development Bank	i	-	203,874	(203,874)		-
Cini Asha	Kolkatta	India	Child's right to Education and Protection	j	-	33,792	(33,792)		-
<b>South America</b>									
Asociacion de Defensa de la Vida (ADEVI) and Centro Proceso Social	Lima	Peru	Working to support child labourers through community development, family support and education	k	-	66,575	(66,575)		-
Children of the Andes (COTA)	Bolivar,Sucre, Meta,Santander	Columbia	Mine risk education for children	l	-	28,845	(28,845)		-
Instituto Promundo	Rio de Janeiro	Brazil	Engaging Marginalised Youth in Preventing Violence	m	-	43,011	(43,011)		-
Projeto Legal	Rio de Janeiro	Brazil	Protecting the rights of poor & marginalised children & young people in conflict with the law	n	-	133,097	(133,097)		-
<b>Total restricted funds</b>						-	1,668,159	(1,668,159)	-

ChildHope (UK)

Notes to the financial statements

For the year ended 31 December 2009

13. Movement in funds (continued)

	Country	Main activities	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
<i>Unrestricted funds</i>						
<i>Designated funds:</i>						
Small Grants Fund	UK and all operational areas	The Small Grants Fund provides funds for innovative service delivery, training, research, advocacy etc by ChildHope or partner organisations	2,592	-	-	(2,592)
<b>Total designated funds</b>			2,592	-	-	(2,592)
<b>General funds</b>			121,390	263,655	(227,242)	2,592
<b>Total unrestricted funds</b>			123,982	263,655	(227,242)	-
<b>Total funds</b>			<b>123,982</b>	<b>1,931,814</b>	<b>(1,895,401)</b>	<b>-</b>
						<b>160,395</b>

## ChildHope (UK)

### Notes to the financial statements

For the year ended 31 December 2009

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#### 13. Movement in funds (continued)

##### Notes

- a The project with our partner CHAD-ET is funded by Comic Relief and also received £1,000 from an anonymous donor
- b The project with our partner CINDI is funded by DFID
- c The project with our partner HANCI is funded by Comic Relief and also received £3,000 from Trust 2000
- d The project with our partner Mkombozi is funded by Comic Relief
- e The project with our partner Pendekezo Letu is funded by the Big Lottery Fund and received £1,100 from Community Fundraisers in N Ireland
- f The project with our partners URHB/UYASS is funded by the Big Lottery Fund
- g The project with our partner Aparajeyo is funded by Comic Relief
- h The project with our partner Aparajeyo is funded by Big Lottery Fund and received £290 from an online donation
- i The project with our partner Butterflies is funded by Comic Relief and received £1,000 from the Navchetna B V Charitable Trust
- j The project with our partner Cini Asha is funded by the Big Lottery Fund and received £5,000 from Daniel Stokes
- k The project with our partners ADEVI & Centro Processo Social is funded by Comic Relief and also received £5,000 from the Maurice & Hilda Laing Trust and £500 from the Rhododendron Trust
- l The project with our partners COTA is funded by Jersey Overseas Aid
- m The project with our partner Instituto Promundo is funded by DFID
- n The project with our partner Projeto Legal is funded by DFID