

THE CHILD TRUST

# Trustees' Annual Report

And statement of financial activities

(Basic Edition)

2009

# Trustees' Annual Report

3 May 2009 - 1 September 2009

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## Declaration

The trustees declare that they have approved the trustees' report

Signed on behalf of the trustees, 3 October 2009



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**Joseph Barnes**

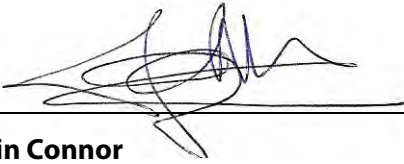
Chair



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**Maria Borisova**

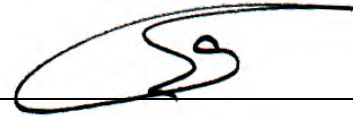
Treasurer



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**Justin Connor**

CRB Focal Point



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**James Saunders**

Chief Technical Officer

## Reference and administration details

<b>Name:</b>	The Children in Local Development (CHILD) Trust
<b>Other names organisation is known by</b>	The CHILD Trust
<b>Registered charity number (if any)</b>	None
<b>Principal address</b>	37 Admiral House, Willow Place, London SW1P 1JW, UK

### Names of the trustees who manage the Trust

Joseph Barnes - Chair	Rosie Bright - Honorary Secretary
Maria Borisova - Treasurer	James Saunders - Chief Technical Officer
Justin Connor - CRB Focal point	Shaun Edgerley

### Names of the trustees for the Trust, if any, (for example, any custodian trustees)

None

### Names and addresses of advisers

None

### Name of chief executive or names of senior staff members

Yemesrach Assefa (Director of CHILD Ethiopia)

## Structure, governance and management

### Description of the charity's trusts

#### Type of governing document

**How the charity is constituted** Trust

**Trustee selection methods** Appointed by existing Trustees

### Additional governance issues

On 14 August 2009 the CHILD Trust entered a partnership with CHILD Ethiopia, a charity based in Ethiopia, through the signing of the Addis Ababa Accords. This lays down a principle-based governance system and established a relationship of mutual accountability between the two organisations.

Based on the Addis Ababa Accords, a Joint Work Plan 2009-2010 was signed by the two organisations to implement and monitor activities jointly for the year September 2009 – August 2010.

## Objectives and activities

### Summary of the objects of the charity set out in its governing document

On the understanding, that the trustees take to be self-evident, that children are the future of human society,

Where possible, working complementarily with existing bodies and structures established to assist children, including but not limited to, the United Nations bodies, national governments, non-government organisations and civil society:

The advancement of education worldwide; by all or any of the following means:

- (a) the promotion and further development of the “Children in Local Development (CHILD)” methodology,
- (b) building the capacity of local governments, communities and civil society organisations to deliver the Right to Primary education, as enshrined in international law,
- (c) the relief of poverty and the improvement of the conditions of life in socio-economically and politically disadvantaged communities,
- (d) the promotion of sustainable means of achieving economic growth and regeneration,
- (e) the support of civil society and strengthening of the capacity of national and international actors in meeting their duties in furthering these objects;
- (f) research in such subjects as the trustees deem fit, provided that the useful results of such study are disseminated to the public at large.

### Summary of the main activities undertaken for the public benefit in relation to these objects

Establishment of a Joint Work Plan, which includes a Grant to CHILD Ethiopia to enable the following activities:

- 1/ Funding of training, planning materials and follow-up for 7 schools in one District of Ethiopia using the CHILD community-based mobilisation tool
- 2/ Recruitment of a part time staff member to build organisational capacity of CHILD Ethiopia to impact primary schools in Oromia Region of Ethiopia
- 3/ Presentation to Opportunity Collaboration conference to spread the CHILD concept.

Under the Joint Work Plan, the representatives of one district and seven primary schools in Oromia Region of Ethiopia will participate in training on the CHILD approach run by CHILD Ethiopia. CHILD motivates and supports social entrepreneurs to ‘join-the-dots’ between local resources and barriers to education. Although CHILD is non-deterministic, historically communities have built new classrooms, provided safe water, constructed improved sanitation facilities and started income generation projects to fund educational materials. The schools are selected by local education workers based on need. The project is designed by CHILD Ethiopia, a local charity. CHILD trust will provide project management support and capacity building to ensure sustainable benefit to Ethiopia.

*Trustees have had regard to the guidance issued by the Charity Commission on public benefit in agreeing these activities.*

### Additional details of objectives and activities

The CHILD Trust has entered an agreement to support CHILD Ethiopia as an equal partner. Where additional funds become available, the Trust may seek to expand the adoption of the CHILD approach through the provision of grants to other organisations.

The initial 6 months of CHILD Trust operation has required, and benefited from, substantial investments of time and gifts in kind from the founding trustees. This has included all the administrative, programmatic and fundraising operations of the Trust, in addition to travel and printing costs.

The Trust is also investing heavily in developing a web-based information and management system that will not only support the work of CHILD Ethiopia, but that will be the backbone of a suite of services designed to attract other organisations to use CHILD.

## Achievements and performance

### Summary of the main achievements of the charity during the year

During the period May-September 2009 the CHILD Trust has raised over £10,000 in cash and gifts-in-kind towards supporting CHILD Ethiopia and starting seven CHILD sites in Oromia Region.

Two trustees completed a successful trip to Ethiopia during August 2009 to agree the Addis Ababa Accords, which establish a partnership with CHILD Ethiopia, and the Joint Work Plan 2009-2010, which lays out our joint commitments for the coming year.

The CHILD website, [www.child-online.com](http://www.child-online.com), has been upgraded to allow for future expansion into CHILDnet – an online project management system that is envisaged as a major asset to promoting CHILD. This has included changing the core technology to Wordpress and starting the migration of our accounting system online.

The trust also won a fellowship to Opportunity Collaboration, an international social entrepreneur conference, to present to the CHILD idea to delegates. Full reports are available at [child-online.com](http://child-online.com).

CHILD fundraising material has been refined and translated into Russian.

The Trustees approved a two year Business Plan for 2009-2010.

Work continues on building Financial Control Systems that are scalable and future-proof.

Currently work is underway on CRB and charitable registration, updating the CHILD training materials, adapting the CHILD performance measurement matrices and recruitment of a CHILD Ethiopia team. These investments will underpin the success of the seven initial CHILD sites in Ethiopia and future expansion plans.

## Financial review

### Brief statement of the charity's policy on reserves

According to the terms of the Addis Ababa Accord, the Trust has can only commit to spend funds that are already in hand.

The Trustees have agreed to commit all available funds for FY 2009/10 to successfully implementing the Joint Work Plan 2009-2010.

### Details of any funds materially in deficit

None

### Further financial review details

The Trustees elected to open a bank account with the Co-operative Bank due to its ethical policy.

## Statement of financial activities

Recommended categories by activity	Details of own analysis	Note	Restricted			Total this year £	Total last year £
			Unrestricted funds £	income funds £	Endowment funds £		
			F01	F02	F03	F04	F05
<b>Incoming resources (Note 3)</b>							
<b>Incoming resources from generated funds</b>			-	-	-	-	-
Voluntary income	Donations £5601, Gifts in Kind £4753	S01	10,354	-	-	10,354	-
Activities for generating funds		S02	-	-	-	-	-
Investment income		S03	-	-	-	-	-
<b>Incoming resources from charitable activities</b>		S04	-	-	-	-	-
<b>Other incoming resources</b>		S05	-	-	-	-	-
<b>Total incoming resources</b>		S06	10,354	-	-	10,354	-
<b>Resources expended (Notes 4-8)</b>							
<b>Costs of Generating Funds</b>			-	-	-	-	-
Costs of generating voluntary income		S07	79	-	-	79	-
Fundraising trading costs		S08	-	-	-	-	-
Investment management costs		S09	-	-	-	-	-
<b>Charitable activities</b>	Ethiopia Planning Visit and Opp Col	S10	4,483	-	-	4,483	-
<b>Governance costs</b>		S11	232	-	-	232	-
<b>Other resources expended</b>		S12	-	-	-	-	-
<b>Total resources expended</b>		S13	4,794	-	-	4,794	-
<b>Net incoming/(outgoing) resources before transfers</b>		S14	5,560	-	-	5,560	-
<b>Gross transfers between funds</b>		S15	-	-	-	-	-
<b>Net incoming/(outgoing) resources before other recognised gains/(losses)</b>		S16	5,560	-	-	5,560	-
<b>Other recognised gains/(losses)</b>							
Gains and losses on revaluation of fixed assets for the charity's own use		S17	-	-	-	-	-
Gains and losses on investment assets		S18	-	-	-	-	-
<b>Net movement in funds</b>		S19	5,560	-	-	5,560	-
<b>Total funds brought forward</b>		S20	-	-	-	-	-
<b>Total funds carried forward</b>		S21	5,560	-	-	5,560	-

## Balance sheet

		Note	Unrestricted funds	Restricted income funds	Endowment funds	Total this year	Total last year
			£	£	£	£	£
			F01	F02	F03	F04	F05
<b>Fixed assets</b>							
<b>Tangible assets</b>	(Note 9)	B01	-	-	-	-	-
		B02	-	-	-	-	-
<b>Investments</b>	(Note 10)	B03	-	-	-	-	-
	<b>Total fixed assets</b>	B04	-	-	-	-	-
<b>Current assets</b>							
<b>Stock and work in progress</b>		B05	-	-	-	-	-
<b>Debtors</b>	(Note 11)	B06	-	-	-	-	-
<b>(Short term) investments</b>		B07	-	-	-	-	-
<b>Cash at bank and in hand</b>		B08	5,560	-	-	5,560	-
	<b>Total current assets</b>	B09	5,560	-	-	5,560	-
<b>Creditors: amounts falling due within one year</b>	(Note 12)	B10	-	-	-	-	-
	<b>Net current assets/(liabilities)</b>	B11	5,560	-	-	5,560	-
	<b>Total assets less current liabilities</b>	B12	5,560	-	-	5,560	-
<b>Creditors: amounts falling due after one year</b>	(Note 12)	B13	-	-	-	-	-
<b>Provisions for liabilities and charges</b>		B14	-	-	-	-	-
	<b>Net assets</b>	B15	5,560	-	-	5,560	-
<b>Funds of the Charity</b>							
<b>Unrestricted funds</b>		B16	130			130	-
Designated to Joint Work Plan 2009		B17	5,430			5,430	-
<b>Restricted income funds (Note 13)</b>		B18		-		-	-
<b>Endowment funds (Note 13)</b>		B19			-	-	-
	<b>Total funds</b>	B20	5,560	-	-	5,560	-

Signed on behalf of all the trustees

3 October 2009

  
Maria Borisova (Treasurer)

  
James Saunders (CTO)

## Notes to the accounts

### Note 1: Basis of preparation

#### 1.1 Basis of accounting

These accounts have been prepared on the basis of historic cost (except that investments are shown at market value) in accordance with:

- Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005);
- and with  Accounting Standards;
- Or  Financial Reporting Standards for Smaller Enterprises (FRSSE);
- and with the Charities Act 1993.

#### 1.2 Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year

#### 1.3 Changes to previous accounts

No changes have been made to accounts for previous years

### Note 2: Accounting policies

This standard list of accounting policies has been applied by the charity except for those deleted. Where a different or additional policy has been adopted then this is detailed in the box below.

#### INCOMING RESOURCES

##### Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

##### Incoming resources with related expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

##### Grants and donations

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

##### Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.

##### Contractual income and performance related grants

This is only included in the SoFA once the related goods or services have been delivered.

##### Gifts in kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.

Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or

## The Children in Local Development (CHILD) Trust

distributed by the charity.

Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.

### **Donated services and facilities**

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

### **Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

### **Investment income**

This is included in the accounts when receivable.

### **Investment gains and losses**

This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

## **EXPENDITURE AND LIABILITIES**

### **Liability recognition**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

### **Governance costs**

Include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

### **Grants with performance conditions**

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

### **Grants payable without performance conditions**

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

### **Support Costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

## **ASSETS**

### **Tangible fixed assets for use by charity**

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt.

### **Investments**

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

### **Stocks and work in progress**

These are valued at the lower of cost or market value.

### Note 3: Analysis of incoming resources

	Analysis	This year £	Last year £
<b>Voluntary income</b>	Donations	5,601	
	Gifts-In-Kind (Including Fellowship value 2,983)	4,753	
	<b>Total</b>	10,354	
<b>Activities for generating funds</b>			
	<b>Total</b>	-	-
<b>Investment income</b>			
	<b>Total</b>	-	-
<b>Incoming resources from charitable activities</b>			
	<b>Total</b>	-	-

### Note 4 : Analysis of resources expended

	Analysis	This year £	Last year £
<b>Costs of generating voluntary income</b>	Paypal charges	9	-
	Gifts-In-Kind hospitality	70	-
	<b>Total</b>	79	-
<b>Fundraising trading costs</b>			
	<b>Total</b>	-	-
<b>Investment management costs</b>			
	<b>Total</b>	-	-
<b>Charitable activities</b>	Gifts-In-Kind Flights and Subsistence	1,500	-
	Gifts-In-Kind Opportunity Collaboration Conference	2,983	-
	<b>Total</b>	4,483	-
<b>Governance costs</b>	CRB checks	32	-
	Gifts-In-Kind Web-based systems	200	
	<b>Total</b>	232	-

### Note 5: Support Costs

*No Support Costs for this period.*

## Note 6: Details of certain items of expenditure

### 6.1 Trustee expenses

Number of trustees who were paid expenses

Nature of the expenses

Total amount paid

This year	Last year
None	
None	
None	

### 6.2 Fees for examination or audit of the accounts

Independent examiner's or auditors' fees for reporting on the accounts

Other fees (for example: advice, consultancy, accountancy services) paid to the independent examiner or auditor

This year £	Last year £
None	
None	

## Note 7: Paid employees

*The Trust had no employees during this period.*

## Note 8: Grantmaking

*The Trust made no grants during this period (see note 15).*

## Note 9: Tangible fixed assets

*The Trust has no tangible fixed assets*

## Note 10: Investment assets

*The Trust has no investments*

## Note 11: Debtors and prepayments

*The Trust has no debtors or prepayments.*

## Note 12: Creditors and accruals

### 12.1 Analysis of creditors

Loans and overdrafts

Trade creditors

Amounts due to subsidiary and associated undertakings

Other creditors

Accruals and deferred income

Total

Amounts falling due within one year		Amounts falling due after more than one year	
This year £	Last year £	This year £	Last year £
-	-	-	-
-	-	-	-
£4,780	-	-	-
£650	-	-	-
-	-	-	-
£5,430	-	-	-

## 12.2 Security over assets

**No loan, overdraft or other creditor holds a charge or other security over any assets of the Trust.**

## Note 13: Endowment and restricted income funds

**The Trust has no endowment or restricted income funds.**

## Note 14: Transactions with related parties

### 14.1 Remuneration and benefits

Name of trustee or connected party	Legal authority (eg order, governing document)	Amounts paid or benefit value	
		This year £	Last year £
None	None	None	None

### 14.2 Loans

	Name of trustee or connected party	Legal authority	Amount owing	
			This year £	Last year £
Due to trustees and related parties	None	None	None	None
Due from trustees and related parties	None	None	None	None

### 14.3 Other transaction(s) with trustees or related parties

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	This year £	Last year £
None	None	None	None	None

## Note 15: Additional Disclosures

**The following are significant matters which are not covered in other notes and need to be included to provide a proper understanding of the accounts.**

A Joint Work Plan 2009-2010 was signed with CHILD Ethiopia to provide a Grant of £4,780 and fund one flight at £650 during the period September 2009 - September 2010.