

# Children in Distress

(A Company Limited by Guarantee)

Operating as part of the Children in Distress Charity Alliance

Annual Report &
Consolidated Accounts

31 September 2017

Registered Charity Number: 1001327 and SC39383

Registered Company Number: SC 351218

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## Trustees, Officers and Advisers

#### Chair

Dr Harry Ward

#### **UK Board of Trustees**

Dr Victoria Amadi

Board, Advisory Group

John Burns

**Board** 

Mrs Christine Henderson-Docherty Board, Trustee Management Group, Governance and Legal

Dr Robin Dunn Board, Advisory Group

Mrs Alyth Hughes Board, Chair Advisory Group, Vice President Copii in

Dificultate, Trustee PositivPlus+, Governance and Legal

Rev June Hurn

Board, Advisory Group, Trustee PositivPlus+,

Governance and Legal

Cornelius McGill

Board, Trustee Management Group

**Canon Christopher Samuels** 

Vice-Chair

Board, Advisory Group

Sir Neil Thorn OBE TD DL

Board, Governance and Legal. Life

President

## **Romanian Patrons**

Florin Chilan

Maria Popa

#### **Executive Director (Romania)**

Valentina Zahatria

#### **Chief Executive**

Alisdair Barron MBE

#### **Bankers**

Royal Bank of Scotland plc

City Branch

10 Gordon Street

Glasgow

G13PL

#### **CID UK Administration**

May Biggam

**Funding Development Manager** 

**Tina Connelly** 

Office Administrator

Melanie Jukes

Shop Manager - Shildon

Tracy England

Shop Manager – Guisborough

Allan Gallacher

**Charity Accountant & Secretary** 

Sandra Kinloch

Administrator

**Edward Wieczysty** 

Administrator

Caroline Wilkie

Funding Development Manager-

North England

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Shop Manager Kirkbymoorside

## **Registered Office and Principal Office**

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**G4 0UW** 

## **Statutory Auditors**

The Kelvin Partnership Ltd The Cooper Building,

505 Great Western Road,

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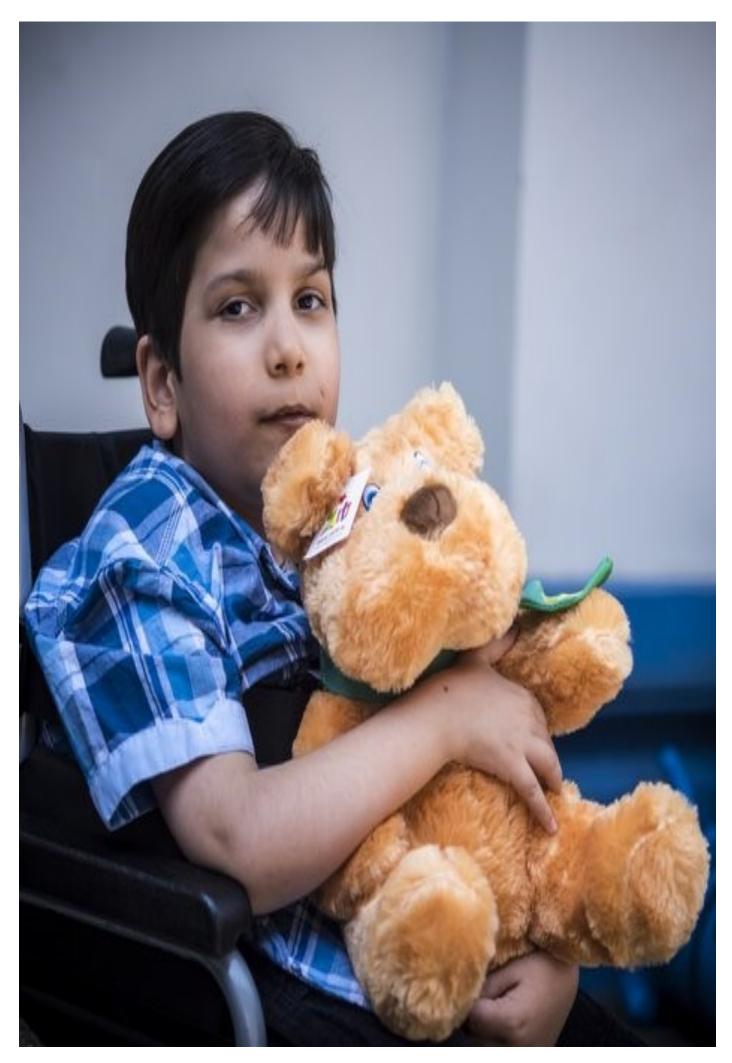
G12 8HN

#### **Solicitors**

Brechin Tyndal Oatts 48 St Vincent Street

Glasgow

G25HS



# Vision, Mission, Aim, Structure and Partners

Our Vision 'to create a better today for children who may have no tomorrow'

Our Purpose in concert with our operating partners and sister charities Copii in Dificultate, PositivPlus+ & Help, Hope and Hospice, in South Eastern Europe to deliver paediatric palliative, respite and end of life care, and to provide educational opportunities, social welfare and training where and when required. To cure, sometimes; To help, often; To comfort always.

Our Aim is "to deliver a better today for children who may have no tomorrow" by offering the best possible care to children who are terminally or incurably ill, living with genetic or developmental delay, disorders or handicap, offering education and opportunity to those simply disadvantaged by family economics or discrimination in the community. Through training and practical example to effect attitudinal and practical changes in medical care, social welfare and educational policy in Romania, and the Republic of Moldova.

#### **Our Structure**

Children in Distress is a UK charity registered with the Charity Commission in England & Wales and the Scottish Charity Regulator, with a registered office in Glasgow and a commercial trading arm which operates three charity thrift shops in County Durham, Cleveland and North Yorkshire. A loyal, enterprising and vibrant volunteer and donor network underpins and makes possible the charity's mission of care. We work through and together with our sister and partner organisations in Romania and Moldova. Our ongoing objective is to empower these organisations to self-sufficiency as soon as is practicable.

We also support other hospice and palliative care organisations in Central and Eastern Europe through the provision of advocacy, technical support, practical welfare aid, training and funding.

# **CID UK's in-country Partners**

ROMANIA Copii in Dificultate

St Andrew's Hospice and Children's Care Centre

St Nicolas Community Physiotherapy and Rehabilitation Service

St Margaret's Centre for Children

St Michael's School for Children with Autistic Spectrum Disorders

St Nicolas Rehabilitation Service

Ajutor, Speranță și Hospice (Help, Hope and Hospice)

St Helena's Education and Welfare Project

St Cristofer's Centre

PositivPlus+

St Laurence Independent Living Campus

Argeş County Council

**Bucharest School No 62** 

Centrul Sft Macrina

Matei Basarab Social and Cultural Association

Serban Voda Parish Church



# Partnership: an insight by the Charity's Chair of Trustees

"It is literally true that you can succeed best and quickest by helping others to succeed." Napoleon Hill

Since taking up the post of Chair of the Board of Trustees, after a relatively short time as a supporter and a trustee, I have become aware of how much there is to learn about this complex multi-faceted little organisation that attempts, as the Charity's mission outlines "to offer a better today to those who may have no tomorrow". It has been a revelation to know that the Charity is governed and operates with so many polices, practices and procedures of good governance, which have evolved and developed over the last twenty-eight years to meet the needs of our work.

In many ways, this little Charity punches far above its weight, innovating and adapting the delivery of its services to meet changing demands, but always endeavoring to remain faithful to Hippocrates' dictum "to cure, sometimes; to help, often: to comfort always". It has been my privilege to serve in this last year with the help and assistance of a team of exceptionally dedicated trustees, who generously give of their commitment, wide ranging experience and expertise to the strategic direction of the Charity. I am grateful for their support, given to myself, the Chief Executive and the admin and project care teams here in the UK and those who make possible the work of our sister foundations, who jointly participate in the Children in Distress Charity Alliance. I gratefully acknowledge the immense contribution made by my predecessor, Canon Christopher Samuels and can state that I was much relieved that he agreed, on stepping down as Chair, to act as Vice-Chair of Trustees for an interim period.

Whilst recognising the core priorities of maintaining the continued support of the services delivered by the Charity's sister organisations, and ensuring consistency and continuity in the quality of care involved, we have been realistic about the financial challenges we have recently faced. My fellow trustees and I are grateful for the dedicated support offered by a strong network of supporters and child sponsors in the Charity's extended family of care. However, we recognise that if the Charity is to thrive and prosper, we needs must seek a new younger generation of support, who are open to be touched by the needs and plight of children in distress in the poorest country in the European Union, with terminal and incurable illness and/or profound socio-economic disadvantage.

One thing that is clear to me is that partnerships extend the influence, and in many ways underpin and reinforce the way that CID works. Partnerships between our care staff and the supporters on whom they depend; between the Chief Executive, our admin team and the Board of Trustees. The essential and mutually beneficial partnership of CID UK as an adviser and funder and our constituent operational arms in the CID Charity Alliance. Finally the strong ever-evolving partnerships between our sister charities of the CID Charity Alliance and other Romanian charities and organisations. These build on the best that CID can provide, extending and sharing influence, expertise and professional skills as far as possible. We look forward to sharing skills and providing relevant learning opportunities in the year ahead.

I trust Children in Distress will continue its role as an agent of change, regeneration and renewal and as a standard bearer of excellence, innovation and opportunity for present and future generations of children and our partner organisations who care for them.

Harry Ward

Harry Ward Chair of Trustees



# **Chief Executive's Review**

"Alone we can do so little; together we can do so much." Helen Keller

There are no two ways about it: after nearly a decade of austerity and recession this is a tough environment in which to run a small Charity, especially a paediatric, palliative care charity that delivers a mission of

care in Romania. A nation subject to ongoing adverse media publicity despite the fact that it remains one of the poorest in the European Union. The purse strings of Romania's in-country public expenditure continue to tighten, constantly exposing new medical and welfare needs in Romania. Life is increasingly difficult for people with disabilities, as state and third sector services falter and close. In the UK, the public's trust in charities has been undermined. There are therefore huge pressures on fundraising and growing scrutiny and demands for transparency mean ever more criticism of charities in the media. As CEO of a small charity, I bring focus on these issues, not by way of excuse, as we reflect on this report year, but to set the context for the last financial year and potentially for some years to come.

We face fundamental challenges to the perceptions and role of charities both in the UK and in Romania, where Children in Distress delivers our mission of care. Challenges, which if the Charity is to succeed, will require the recruitment of a new generation of support in the UK. Moreover, our partners in the Children in Distress Charity Alliance in Romania will need a new and intense focus on local marketing and fundraising as they strive for financial independence, and aim at increasing the levels of locally generated income, interest and support being raised for their individual field of operation.

As a Charity, we do not think to offer excuses for the last twelve months. Far from it. Children in Distress has found itself up against it and we have continued to take tough decisions to ensure that CID UK is in a better place. Our mission delivery is ongoing and we continue to make good progress. In the last year, our focus has been on carefully managing the financial position, whilst delivering life-changing support and planning for the future, simultaneously maintaining the quality of the services delivered by those charitable foundations in the CID Charity Alliance, which are our effective operational arms and those partner organisations, which make up our extended alliance network.

Reflecting on funding, in 2015/16, the Charity recorded a reduction in overall funding of just under £50,000, which mirrored a gradual slow decline in donation income and consequential reduction in Gift Aid. However, with prudent spending the Charity's reserves slightly increased. Unfortunately this year, with a further marked reduction in legacy income, we regret to record a deficit of £137,500 whilst maintaining a £30,000 increase in direct charitable expenditure. Consequently, the Charity's reserves have reduced by over £113,500. Faced with this unfavorable trend, the Charity has managed its finances by taking some prudent if uncomfortable decisions.

For instance, there has now been no pay review for our hard-working admin team for the last four years. We have continued to manage prudently all of the Charity's operational costs and scrutinised carefully requests for financial support from partner programmes. There is more to do. In the year ahead our objective must be to maximize all of the elements, which form our funding steams.

The wider Children in Distress Charity Alliance has developed and launched a new fundraising strategy in the form of Jean4Dreams. Initially rolled out in Romania, it is planned to develop this programme in the UK and it is intended that supporters will hear more of this in coming months. This will be the only way that this Charity can stay true to its mission "to bring a better today for children who may have no tomorrow".

What of the services our funds ensure? The quality of care remains high. The outcomes are in line with the benchmarks set when funds were approved. Users, when polled, rate as 'Good' all of the services we provide, or assist in providing, or as 'Outstanding' overall. Our partner organisations have individually received awards in recognition of the quality of their care and many of our staff have received certification as part of their personal professional development. All of these are signs of a charity delivering on its commitments and looking confidently to the future, a charity willing to innovate and change.

Looking to the future, our success will depend on putting the Charity on a sounder financial footing and having a clear plan for the new challenges we face. The recruitment and development of a new generation of support; the re-invigoration of the Board of Trustees, infusing it with a new complementary range of skills and expertise to enhance the strategic discussion, debate and decision-making. Finally the appointment of a suitably skilled and experienced successor to replace me as Chief Executive, since I have announced my intension to retire in late 2018, having served more than twenty-five years as a volunteer, Trustee, Chair of Trustees and most recently as Charity Chief Executive.

I should also like to pay a personal tribute to the former Chair of Trustees, who retired from that role in September of last year. Canon Christopher Samuels over the last decade has been an inspirational counsellor and friend, who helped form a strong decade-long partnership of mutual trust that has carried the Charity forward. The Charity is fortunate that he has agreed to remain a trustee, retaining a reservoir of expertise to assist the Board in its deliberations.

Children in Distress has come so far in the last quarter of a century, and that it can look to the future with clarity and determination is credit to two groups. Firstly, our supporters and child and charity sponsors, who have stayed with us through thick and thin. We are in their debt. Secondly, to the members of our dedicated administration and professional care teams. They have been tireless in pursuit of our common goals, to cure sometime; to help, often; to comfort, always.

I thank everyone for their commitment, expertise and support.

Alisdair Barron MBE

Chief Executive



The Board of Trustees presents the Trustees' Report and audited Consolidated Financial Statements for the year ended 30<sup>th</sup> September 2017.

The legal and administrative details for the Charity, the Board of Trustees and advisers, and full lists of our supporters, partners and volunteers can be found in the first few pages of this document in the section entitled "Trustees' Report".

The Trustees' Report includes a Strategic Report in order to meet the requirements for a Directors' Report as required by the Companies Act 2006, Strategic Report and Directors' Report Regulations 2013.

In approving the Trustees' Report, the Board of Trustees has also approved the Strategic Report.

## Objective and public benefit

#### Objective

Children in Distress is established for public benefit and for general charitable purposes according to the laws of the United Kingdom. In particular, but not exclusively, for the treatment, care health and welfare of infants and children with terminal or incurable illness; for the promotion of equality, diversity, independence and health of children and young people with disability, especially those with neurological disorders and to assist through education and welfare those who suffer discrimination or live with economic and social disadvantage.

## **Public benefit aims**

In exercising relevant powers and duties, the Board of Trustees considers the Charity Commission of England and Wales guidance on public benefit. This report outlines how our performance during 2016/17 has benefited the public.

### Our purpose

Children in Distress exists to care for children with terminal or incurable illness, genetic conditions and through advocacy and direct actions ensures that disabled people have the same opportunities as everyone else to maximize their potential and make the most of life. We provide support, advocacy, advice and information to disabled people and their families. We raise awareness of the issues that matter. In addition, by example we will keep driving change across society until Romania offers equality of care for the terminally ill and disabled, assistance in education, welfare and opportunity for everyone.

## Our approach

Last year, we identified four key areas in which we are aiming to drive change to achieve our purpose:

- the support services that we make available such as palliative, respite and end of life care.
- skills and capabilities we deliver through child development centre's and educational opportunity and through insight professional education and training.
- attitudes and behaviours changed through advocacy, education and welfare.
- care systems and support structures advanced through education and training.

# Overview of our Activities in the last year

Undoubtedly, the key challenge remains the retention of the social services operating licence for the St Margaret's Hospice and the range of other projects and services supported by the Charity. At St Margaret's, in the midst of a major influenza epidemic in Bucharest, there was an outbreak of the H3N2 virus amongst the more vulnerable children in the hospice's residential care wards. A need to minimise the spread of the infection and the challenge of retaining the service licence required swift major organisational and structural changes. These included the revision and updating of the Charity's emergency procedure manuals, standard operating procedures and work processes, all to comply with the best practice interpretations of the standard licensing protocols, overseen and interpreted by the social work team of Bucharest Sector 2 as the licensing authority. This led to an optimisation of personal patient space, the provision of separate staff areas, and the creation of a discrete visitor's area: a new playroom facility specifically for bed-bound children and the creation a series of smaller, semi-isolated wards to meet the patient space criteria laid down under new "hospital" regulations. A new external audit regime also necessitated the appointment of additional professional staffing and changes to existing continuous, personal professional development programmes. The same legislation, which applied to St Andrew's Hospice, was interpreted quite differently by the Argeş County Authority in its decision to approve the existing more open "nightingale" ward layout.

Two major fires, one in a public venue and another in a residential care centre, both in Bucharest, continues to drive operational and physical structural changes needed to obtain the necessary licences so that St Margaret's Hospice can continue to provide the present comprehensive range of residential social care services. Obtaining the necessary, inspectorate for Emergency Situations (IES) permit continues to prove challenging and complex given several sequential, iterative, legislative changes. These demand essential complex documentation, which has resulted in conflicted guidance and interpretations by officials, differing advice as to what is required, incurring additional costs as result. This has complicated and slowed the process of obtaining the necessary permit certification and required considerable unplanned capital investment. Despite the specialist consultancy advice retained to assist in obtaining the necessary permits and IES licences, it was felt necessary to comply with all of the latest legislative and regulatory changes. The final mandatory advice has required new fire resistant doors, extended anti-fire insulation, new fire break wall installations; an extended system of fire alarm, smoke detectors and fire escape path and emergency lighting, while the latest demand is to install a substantial on-site subterranean water reserve tank to support the newly retrofitted hospice-wide water sprinkler system.

St Margaret's Hospice continues to offer residential care provision for up to twenty-four children. Care contracts for all the children are in place, although still subject to final fine negotiation with the majority of Local Authority Child Protection Departments. Child Protection Officials are attempting to deal with radical challenges to the existing budgets, which are regularly being 're-focused' to address the recent major staff wage increases announced by the National Government appointed in early 2017. The Hospice continues to accommodate an increased demand for specialist intensive cardiac care, with children admitted for periods of pre-operative respite care.

There has been a range of additional testing financial challenges resulting from

- The Romanian Government's announcement of a new higher mandatory minimum wage.
- Continuing delays in passing a national budget and the inability to fund Local Authority services.
- Reductions in local tax receipts preventing Local Authorities from honouring, then delaying their commitment to contractual care payments for children resident in the hospices.
- The reluctance on the part of the National Insurance Fund to fund essential prescribed medication and equipment needed to assist in the care of infants and children within the Hospice.
- The Romanian Government 's decision to defer their commitment to fund community based welfare and education programmes and projects jointly funded as part of European Union initiatives.
- Unforeseen capital expenditure required to replace the main central heating boiler at St Margaret's Hospice which failed during a prolonged winter storm

The CID Charity Alliance partner's particular CIDRo have been pro-active in a range of local fundraising events using their own and partnership resources. The impact of additional fundraising arising from the Jeans4Dreams initiative has begun to show fruit, generating increasing levels of local support. The admin teams regularly submit letters of representation to the management of the Local Authorities social care services highlighting the financial challenges resulting from delayed contractual payments and seek face-to-face meetings to determine agreed dates for the payment of inevitable contractual arrears.

Our CID Alliance partners continue to make direct local and international grant applications, individually and in concert with partner authorities, for funding for new range of projects, under the POSDRU programme funded by the Commission of the European Union. This has required a substantial investment in employee time and background research into the needs of the most disadvantaged areas to identify for targeting the most vulnerable or at risk groups, potential partners and shared well defined projects that will best maximise partnership benefits of shared expertise and Charity Alliance resources and services.

# **Legacies, Substantial Personal, and Trust Donations**

Legacies and in-memoriam giving have both played a significant role in making the work of the Charity possible over the last few years. The Trustees therefore acknowledge the generosity of those who consider the Charity's mission of care to the children in distress important and worthy of a legacy (£94,851.89): personal gifts (£45,260.16); Sponsorship or Trust donations (£50,000.00). Without these donations, much of the capital building works and renovation, which have been undertaken during this financial year, would not have been possible.

We remember with gratitude gifts, Trust donations, legacy and in-memoriam giving from and on behalf of

<b>Major Donations</b>	Legacies	Trusts & Foundations:			
Peter Atrill	John Denza	Fulmer Charitable Trust			
Marjorie Bourne	Marjorie Hunt	M J Handley Charitable Trust			
Vincent Burke	John Reis	R G Hills Charitable Foundation			
Yolande Clarke	Revd Sue Rawling	The Lynn Foundation			
Pat Chrisfield	David Melvyn Simpson	N Smith Charitable Trust			
Peter & Pat Franklin	Patricia Wildbore	The Rozelle Trust			
Francis Galloway					
Christine Herrington	<b>Church Donations</b>				
Alan Hetherington	Community of the Holy Cross				
Jennifer Houghton	Ely Cathedral				
Dorothy Irvine	Holy Saviour Tynemouth				
S R Jordan	Newton Wallacetown Chu	rch			
Morag McIlwraith	Salem United Reformed Church				
Sheila Morris	St Laurence's Church, Scalby				
Revd Dr David Rake	St Nicholas, Chislehurst				
Dr Sue Ward	The Old Vicarage, Cornwall				
Candice Wilson					

Ruth Wragg



# Serban Voda Parish Church, a Partnership built across the years

None of us, including me, ever does great things. But we can all do small things, with great love, and together we can do something wonderful." **Mother Teresa** 

The Partnership between the Serban Voda Parish Church and Children in Distress was set up some time ago, delivering jointly developed projects, which bring a great deal of happiness to children and families in the local community. Serban Voda Parish was built in the middle of the 20<sup>th</sup> Century, when people of faith, who treasured and revered places of worship and prayer, often faced repression from successive dictatorial regimes and went through harsh times. This particular parish was devolved from the "Feast of the Annunciation" Parish in nearby Buna Vestire and today it serves a working class community on the southern outskirts of Bucharest. Bordering the Giurgiului highway, the parish area encompasses part of the former village district of Serban Voda, from which it takes its name. The Parish was founded in the dark days of late 1940, under the patronage of Patriarch Nicodim, who was much loved and revered for his wisdom, both as Patriarch of the Orthodox Church and as former Joint Regent during the minority rule of the late King Michael.

In 2001, the construction of a new church was begun when Patriarch Petru of Alexandria and Africa laid the corner stone; bricks from the ruins of the famous historic Seven Churches of the Apocalypse were integrated in the walls of this new building. In 2009, with the encouragement of the local authorities, its then Archpriest Dinu Pompiliu completed the exterior works and began the glorious biblical and religious frescos, which now adorn its stunning interior and exterior.

The Serban Voda Church comprises energetic social-minded clergy and a devout, dynamic, energetic and enterprising congregation, comprising a representative cross-section of its community of young and elderly communicants, parents and children. The Church is truly the beating heart of its community, and provides an island of contemplation, peace and solace for those who seek religious consolation and inspiration in silent prayer and divine services.

The active parochial team of priests and committed parishioners regularly visit the community's elderly at home, offers outreach to help the poor, and shares advice and support with those in trouble. In 2008, the church was given permission to build an on-site elderly care unit and associated chapel of rest.

This Parish's social service team harnesses the goodwill and Christian charity of the local community to bring practical help, care and support to those in need, including passing quality time caring for children resident at St Margaret's Centre, whom the Parish have 'adopted'.

This partnership is a special focus of activity for both the Parish priest and a large number of parishioners. As they share, "we are active in resourcing and sustaining this 'treasured' partnership for as long as we can". It is a significant long-term partnership, which brings great joy and reciprocal practical benefit. The residents at St Margaret's very much enjoy the parishioner's regular visits and the parishioners, and their priest in particular, manage to transform their regular visit into a rewarding and special time for everyone involved. The visitors leave with hearts bursting with gratitude, invigorated and intent on maintaining this close-to-their-heart partnership.

## Hospice and Children's Centre Care

The number of children cared for by the hospice teams rose to fifty-nine (up from forty-six in 2016), mainly as a result of the opening of two new four bedded wards in Bucharest and the occupation of the additional beds coming on stream in Casa Catherine within St Laurence's, Cernavoda, this latter unit being for adolescents living with HIV. The number of staff employed in Romania reached 106. Two hospices, St Andrew's and St Margaret's, continue to specialise in the care of infants and children life compromised as a result of accident, infection genetic disorders or defects at birth.

Increasingly in both, the condition and prognosis of children on admission causes increasing concern, most recently children admitted having been discharged from children's hospitals or other state units arrive with complex care needs and requiring high dependency care. Beds are now regularly sought, for infants with complex cardio-pulmonary problems, who require periods of stabilisation with intensive care, prior to any consideration of complex open-heart surgery. In both St Andrew's and St Margaret's a number of older long-term residents have survived into their late teens, being

regarded as adults have been transferred to adult care centres more appropriate to their adult status and differing care needs.

As demands of care have changed, the care teams in both St Andrew's and St Margaret's have been reskilled to meet the emerging needs; however, they face a new range of personal psychological challenges in dealing with infants whose short-term prognosis can be extremely poor.

# MATEI BASARAB SOCIAL AND CULTURAL ASSOCIATION - A Partnership of Care & Concern

Teamwork begins by building trust. And the only way to do that is to overcome our need for invulnerability." **Patrick Lencioni** 

This partnership with Matei Basarab Association is one of very few that exists within the scope of local social work foundations established by an individual diocese of the Romanian Orthodox Church. In recent years, the Church has focused much of its 'social work deaconate' initiatives on service delivery primarily by the Church itself.

The Matei Basarab Social and Cultural Association was originally set up in 2006 and the original partnership

programmes operated primarily from the Diocese's Damaschin Bishop Social-Cultural Centre. The services that the Association delivers are authorised by the Ministry of Labour, Family, Social Protection and the Elderly. By 2017, this service provided social care services to some thirty children mainly from very challenging family backgrounds. Each of whom, received financial help and practical aid worth on average £1660. This tailored support was funded throughout 2017 by contributions from the state '2% GIFTAID campaign' where taxpayers dedicate 2% of their assessed tax to help a charitable activity of their choice. In total these 'sponsorship contracts' were estimated to cost approximately £40,600 per year, which covered the costs of providing support to a range of both social and sociomedical clients. Over the years, the Matei Basarab Association has developed its longstanding meaningful and mutually beneficial partnership with Children in Distress, a collaboration that annually directly jointly supports some forty-five children from the most impoverished families from communities in the immediate area of

Slobozia. This includes a range of jointly sponsored education and welfare events in which both Foundations share labour resources, logistics and material

support. An additional and similar partnership now exists with the Bishopric of Slobozia &

Calarasilor and Children in Distress, which also provides support within a range of rural parish communities, providing specialist social welfare support and very practical charitable aid that, for many of the children involved, provides a very practical and real lifeline. This joint programme also includes a number of destitute senior citizens often living alone in the direst poverty, and an equal number of one-parent families living on the breadline. Inspired by the success of these joint projects Bishop Vincentiu, the current Bishop of Slobozia and Calarasilor, has recently expanded the diocese's own social

missionary and philanthropic service to help deliver the Romanian Orthodox Church's local vision of 'Social Assistance'.

This Matei Basarab Social and Cultural Association also regularly delivers counselling and community social services for adults and a range of support services from centres in Festesti. Lethliu, Slobozia and Urziceni. It is all too easy underestimate the actual scope and practical value of a longstanding partnership such as this. However, the Bishopric of Slobozia and Calarasilor, in partnership with Children in Distress, has over the last decade developed a range of effective outreach social activities and support services for over twelve thousand nine hundred children; the elderly; individual adults in chronic difficulty and families, particularly those living with disabilities. This work covers some three hundred and forty parish communities, across the counties of lalomita and Calarasi, distributing and granting some slightly over £560,000 in the process.

# **Hospice Services**

Children is Distress continues to provide a variety of hospice services tailored to the needs of infants and children placed in care by local authorities, some of the children having been abandoned at birth and others having lost contact with their extended families whilst in the care of the authority. The hospice professional social work teams make great efforts to reunite families and offer the children involved essential additional support from members of their extended family, a service which often requires delicate and sensitive discussion with the 'disengaged' adults involved.

St Andrew's Hospice and Children's Centre, Piteşti was opened in 2005 to offer a more appropriate facility in which to care for children primarily with untreated hydrocephalus, formerly resident at the then St Cristofer's Hospice in Curtea de Argeş. St Andrew's is a unique facility being jointly operated and fully integrated in the Argeş County's Child Protection Service. This centre offers modern facilities and the highest standards of care, tailored to the needs of up to fifteen children living with severe cerebral palsies, hydro and micro cephalous, complex Spina Bifida and a wide range of neurological, genetic and birth disorders, which if left without continuous intensive care can become life threatening



paediatric hospice for infants and children living with HIV AIDS. Initially, it was a volunteer-led unit where nursing expats, by example, dispelled the fear of working with children who were 'Body Positive'. The unit has trained a generation of professional nurses and carers from the local community. Over five hundred children found shelter, love, care and medical support and access to pioneering innovative paediatric antiretroviral therapy provided in concert with the Baylor Black Sea Clinic in nearby Constanta. Today, a survivors group of forty-eight young adults see St Laurence as 'home' and regularly return to visit the twenty or so young long-term residents, who still live in its independent living community campus. St Laurence operates four separate houses, each slightly different to meet the specific need of the residents. Two houses deserve special men-



tion.

**Supported and Assisted Living Casa Cristi** offers a unique supportive residential service to a group of vulnerable young adults with learning difficulties and disabilities complicated by HIV. First admitting residents in 2015, Casa Cristi strives to meet demand for places. This new home can meet the needs of up to nine young adults, who otherwise would have to reside in unsuitable state accommodation and would not be offered access to the developmental and occupational therapy services, which now provide a life-enriching experiences.

**Casa Catherine** has been radically redeveloped to meet the demands of a new generation of youngsters living with HIV who are often abandoned and bought up in care. Casa Catherine offers them a 'more normal' home life experience. This group of up to

ten young adults have been infected through normal mother child transfer and have invariably been abandoned without a home to call their own by birth parents or families unwilling to bear the responsibility for their care. Casa Catherine's licensing issues were resolved in late 2017 and new residents need a different level of care and support, since many require encouragement to attend fast track access to education simply to catch up with the elementary education that they have missed prior to admission.

**St Margaret's Children's Centre, Bucharest** originally opened in 1999 as Yorkshire House Street Children's Project, offered a comprehensive medical and welfare service to the capital's then large population of children and young people

living a life at risk on the street. Early in the year 2000, a hospice wing was opened to provide palliative, respite and end of life care for children with chronic neurological disorders and multiple disabilities. The hospice has been radically redeveloped to deliver the highest standards of care.

Today St Margaret's can home to up to twenty-four infants and children and is generally regarded as a beacon project and a model of care for children with severe neurological, complex genetic and cardio-pulmonary conditions. St Margaret's has recently been physically reconfigured to increase the number of wards and bed spaces and to offer discrete specialised areas for physiotherapy, staff use and for discrete visitor access.

St Margaret's also provides accommodation for the main administration of Copii in Dificultate and the other two sister charitable foundations, which form the Children in Distress Charity Alliance; as such it is also the operational headquarters of the Children in Distress in Romania.



# **Education and Autistic Spectrum Disorders**

Children in Distress pioneered the diagnosis and appropriate education and care of children and families faced with Autistic Spectrum Disorders. Originally hosting a pilot education and socialisation programme for children with autistic spectrum disorders, initially set up with support from the European Union, this evolved with a project based within St Margaret's Hospice to become a school-based programme based in Bucharest Sector one.

St Michael's School and Centre for Children Living with Autistic Spectrum Disorders has been exceptionally successful.

Today, the school has a role of approximately 103 pupils in day school and home care. These young people and their families are supported in education and training to maximise the potential of the children to deal with the challenge of living in today's society. The educational psychologist and teaching team have, through proactive advocacy, conference organisation, education and training achieved significant legislative and attitudinal changes in Romanian society. This now ensures that children with ASD have a right to both education and the appropriate level of social support welfare to meet their needs.

This exceptionally committed team continues to pioneer, advise, advocate and train on the use of Applied Behaviour Analysis and through a peripatetic service support the identification, assessment and diagnosis of children in need of help and support. These relatively few individuals are involved in the support of an increasing number of self-help groups across Romania, and in the furtherance of techniques and training for educationalists, psychologists and psychiatrists involved in caring for children with ASD or those with Attention Deficit Hyperactivity Disorder (ADHD).



## **Education and Welfare Services**

With reduced POSDRU funding available from European funds operated by the Romanian Government, the Charity now operates a reduced number of community-based education and welfare projects tailored to the needs of children from impoverished or disturbed one-parent families.

The children involved present as problems within the state school system, being identified as school refusers or condoned truants. CID's education psychology teams work with parents, families and children to ensure as early a return to normal school education as possible. Innovative education and counselling techniques are used to interest the children and facilitate their return to mainstream schooling; thereafter ongoing out of hours activity and support is put in place to assist with homework and to negate the socio-financial barriers to mainlining good school attendance.

The success of 'St Helena' education projects has encouraged several local communes and local authority education department projects to consider similar pilot programmes dependent on the release of funding by central Government.



St Cristofer's, Curtea de Argeş This one time hospice has been adapted to offer children from the poorest rural communities in the area an educational advantage. St Cristofer's now houses a developmental, social welfare and remedial education programme addressing the needs of children in the local rural community who come from one parent families or who have been socially, economically and educationally disadvantaged by grinding rural poverty and family disruption.



# An Educational Partnership with Children In Distress Foundation

"Great things are never done by one person; they're done by a team of people." Steve Jobs

Gymnasium School No 62 in Bucharest is a large urban secondary school servicing a catchment of a mixed working class district of the city; the school has an on-site nursery and feeder primary school, which are integrated fully into the operation of the school. The catchment area is beset by quite a range of socio-economic problems, which all too often detract from the performance of those children, who should attend classes. In an attempt to break the circle of poor performance and deprivation some years ago the School sought a partnership with an NGO well used to offering innovative educational provision to benefit disadvantaged children and families. Children in Distress entered into partnership with an initial project named "The development of educational support services for children experiencing learning difficulties", the most recent programme of which began during the school terms May and June 2017 and October and December 2017. This project catered for the educational needs of some two hundred and twenty five students in the preparatory classes and in year II.

A range of innovative educational activities carried out as part of the project aim at developing the emotional intelligence of the pupils, to facilitate their early adaptation to the demands of a high school education and to overcome the challenges and problems resulting from their poor socio-familial situation. This educational collaboration with the CIDRo spans several years. Over the years, the students involved, parents and teachers have consistently praised as outstanding the outcomes and results of this partnership initiative and the significant progress made by pupils in the area of education. The children referred to the programmes are invariably those for whom family care, welfare and missed education offer the greatest concerns— those who have a poor record of attendance, a past record of school refusal or of 'condoned' truancy.

The impact of CID's innovative teaching techniques has been a revelation for most of those involved and generates a complete turnaround in those who attend the classes. The CIDRO educational psychologists and teaching staff are invariably described by peers in the school as "outstanding", commended for their "patience, gentleness, originality, dedication, and professionalism". These are only some of the qualities of "the blue, yellow, green and red ladies", which is how they have been 'nicknamed' by the students in the project's preparatory class.

As Alina Oncescu — Primary School Teacher offered, "Whenever they visit, staff and students alike have something new to learn: how to identify and deal with moods, how to deal with anger, how to relax, how to interact with peers, etc. The children were very keen to participate in each joint activity and at present they continue to demand our continued our engagement with the 'ladies' from Children in Distress."

# **Shoebox Appeal 2016**



# Welfare Donations and 'Love in a Box' Christmas Shoe Box Appeal

The continued generous donation of handcrafted and knitted goods and clothing from across the UK has allowed the Charity to reach out to some 19,000 families living in rural and chronic urban poverty. The volunteer led 'Love in a Box' Christmas Shoebox Appeal provided for the distribution of over seven thousand gift boxes over the 2016 festive season. These are distributed in children centres, community welfare projects, hospitals, placement centre (orphanages), senior citizens' centres (retirement centres) and through partner social welfare and religious organisations. The gift boxes go primarily to those deserving families living in the direst need or those struggling to provide for Christmas.

The Trustees expressed their admiration and thanks to the small team of volunteers led by Mr Roy Wheeler who mastermind, co-ordinate and managed the logistics of this exceptional donation programme, which last year offered in excess of seven thousands gift boxes to the most deserving in counties across Romania.

# **Argeş County Council a Practical Partnership in the Community**

"Team work is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organisational objectives. It is the fuel that allows common people to attain uncommon results." – Andrew Carnegie

In 2004, Children in Distress signed a partnership agreement with Arges County Council aimed at improving the range of services provided at St Andrew's Centre for Children with Disabilities and terminal stages of HIV/AIDS in Pitesti. The partnership addressed the needs of individual, family and social groups and targeted overcoming difficult personal situations, social marginalisation and exclusion, promoting social inclusion and increasing the quality of life of children and families in the community.

The general objective was to facilitate access, by those in need in the community, to local public resources by supporting the development of unique organisational partnerships involving of local Non-Governmental Organisations. At the time there were very clear objectives of providing high quality residential and community-based social services adapted to present social needs flexible enough to conform to the ever-changing quality standards set by Government. The intent was to set a new model of collaboration of institutions, organisations and third sector 'public' foundations to deliver sector leading comprehensive social care structures in the community that could easily be combined with community-based social, medical and educational services.

## In the context of St Andrew's Children's Services Centre, the focus has been on the delivery of

- Palliative care services for children with chronic, incurable or terminal illness;
- Activities aimed at identifying beneficiaries with special needs;
- Advocacy and Information activities regarding the rights and obligations of children with disabilities;
- Recovery/rehabilitation services and activities;
- Psychological support and medical & social assistance for the families with children with disabilities.

One of the partnership's distinct advantages remains the fact that it better caters to the community's social service's needs. The quality of provided services has increased beyond recognition based on this partnership. CID's credo includes a healthy level of flexibility, innovations and creativity in care. It actively promotes innovation, new methodologies and a vast work experience with beneficiaries.

By signing this partnership, the public and private sectors have joined forces, resources and expertise, share the risks associated with establishing and managing the provision of high quality, value for money, cost effective social services, and has achieved ever-increasing levels of trust among the partners. The quality of the provided services, their innovative approach, the reliability and commitment of the team of specialists based at St Andrew's has been recognised at local, national and international levels. In 2003, the facility was formally by the Right Reverend Dr David Hope, the Archbishop of York, and in 2005, Baroness Emma Nicholson, the Rapporteur to the European Parliament on Romania visited the centre and praised the quality of services and European standards provided to children with severe disabilities.

As recently as August 2017, Adela Gogoase, the Deputy General Director of Argeş County Social Services Department speaking on behalf of the Council shared. "We aimed to create and develop an initiative delivering qualitative, sustainable social services, adapted to assist those with very particular and highly challenging special needs. Argeş County Council, Argeş Social Services Department and the Children in Distress, should have the view that this unique public-private partnership is an exceptional social development stimulating initiative and last but not least, it remains an instrument of cooperation that sets the standard for the optimum model for the future local and county development."

# Performance Results: in 2016 – achievement in a year of activity

- Ensure the best possible health and care of all children resident in the Charity's Hospices;
- Develop local volunteer involvement in the work of CID;
- Develop and enhance existing long standing partnerships with local authorities and medical facilities; creating new mutually beneficial working relationships;
- Maximise the autonomy and independence of children with disabilities through the application of individually tailored multiple therapy programmes;
- Secure essential licensing for a range of social services provision within hospices, child development centres and community based projects;
- Effective management of the planned admission of new children in need of palliative (6), respite (4) or end of life (2) longer term intensive residential (3) care;
- Complete the reorganisation and restructuring of the hospice layout to reflect best practice standards and provide children with an ideal care environment;
- Develop extra-mural activates to stimulate children identified as benefiting from external sensory and educational stimulation;
- Introduce new therapy schedules to maximise the ability, mobility and development potential of all the children resident within the hospice;
- Provided stimulating educational, socialisation and developmental programmes for children attending St Michael's
   School and those at home or involved in St Helena's education and welfare;

• Provided hand knitted warm winter clothing to up to 20,000, infants, children, adolescents and senior citizens





# Objectives for 2017 have been delivered in a year of achievement

- By launching Jeans4Dreams aimed at creating great awareness and involvement across Romania with a consequential willingness to offer financial support to projects and programmes;
- By maximising publicity and media support raise awareness of CIDRo and the scope of its services and the need in the community;
- To develop the local volunteer base in Romania by advocating active involvement of local communities in the rehabilitation of children with disabilities;
- To organise successful well attended charity events to increase public awareness of children with physical or learning disabilities and those living with incurable or terminal conditions;
- To promote education and welfare programmes for children in therapy who require innovative rehabilitation therapies to maximise their development and potential;
- To develop long-standing partnerships with Local Authorities and medical facilities and state institutions;
- Deliver a programme of continuous personal professional development for CID's, care staff, doctors, educational psychologists, nurses, those in professions allied to medicine, and professional social workers and support staff.

## **Public Benefit**

Children in Distress serves the children of Romania and surrounding countries through its partner organisations. The Charity works with organisations that provide child-focused and child-friendly high standard best practice hospice care, free at the point of delivery, and child development and educational and welfare opportunities for those who need them. Children and families are accepted based on need and residential proximity, not on race, religion or ability to pay. The education provided to professionals in education, medicine, the disciplines allied to medicine and social welfare is subsidised where possible.

The Trustees confirm that they have referred to the Charity Commission guidance on public benefit when reviewing the aims and objectives of the Charity.



### **Financial Review**

This report year 2016-2017 was a difficult year financially for Children in Distress, primarily with an aging supporter base and the continuing impact of a record low bank interest rate. Although donors remain relatively supportive of special project giving, it is increasingly difficult to raise donated funds to cover general running costs. However, thanks to the hard work of the fundraising team and the support of a few major donors, the result was far from disappointing. The total income for the year was £795,004 down from £932,529 in 2016).

Income from the Trading Company was slightly down on the previous year, the decrease primarily arising from difficulty in trading donated goods. Costs were higher especially on wages and salaries. Some limited provision has been made for the general maintenance and repair of two of the shops, as part of a programme to improve the profitability of the trading arm of the Charity.

The income from trading and other activities fell to £94,252 (down from £98,556 in 2016). Costs of generating funds were stable at £248,339.

The Trustees expect 2017-18 to be another challenging year in terms of UK fundraising, directly due to increasing difficulty in attracting funding for Eastern Europe, and Romania in particular, although there is awareness of continuing poverty and the poor medical and social service provision in Romania. The needs of children from centres of conflict, such as refugees, part of mass migrations or living through natural disasters now grab media headlines. There is also the uncertainty about outcome of the negotiations leading to a Brexit settlement. An important part of our work remains to help and encourage our partners to raise funds locally, where the problems are better understood and companies, in particular, are developing better corporate social responsibility policies.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the financial statements. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

# **Corporate Governance**

Children in Distress is a not for profit company limited by guarantee, governed by a Memorandum and Articles of Association. It was incorporated on 6<sup>th</sup> February 2008. The objects for which the Company is established are to:

Promote relief of sickness, and in particular to:

- Promote the care of persons in South Eastern Europe suffering accident infection birth defects or genetic
  conditions which can result in life-threatening illnesses whether in hospitals, hospices, clinics or their own homes and to
  provide medical, nursing and other treatment and attention according to their needs, together with
  guidance and assistance for those caring for them.
- Promote and encourage research into the care and treatment of infants and children in need of palliative, respite or end of life care due life-threatening illnesses.
- Promote, encourage and assist in the teaching and training of doctors, nurses or professionals in the profession as allied to medicine and the maternal assistants who support them.
- Support relatives and carers suffering from shock or depression arising from bereavement by provision of counselling.
- Promote and encourage the provision of quality palliative care by all appropriate institutions and organisations in the
   Balkans for infants and children living with disabilities or facing life-threatening illnesses.
- Assist by grants of funds or support, training or advice to charitable or not for profit organisation and services to further common interest and goals.

The governing body of the charity is the Board of Trustees, which comprises nine members and meet four or five times a year to review strategy and performance together with the Chief Executive. The Trustees make decisions about policy and delegate executive decisions to the staff of the Charity through the Chief Executive and the staff.

This Board operates a number of subcommittees that meet as required to transact business or offer guidance and direction to the Chief Executive and staff. The Board has initiated a review of roles, committee structure and responsibilities to ensure continuing good governance and better define the way forward. This has included delegation of the responsibility of the Board to prepare and oversee the implementation of the E.U.'s General Data Protection Regulation (GDPR) being implemented in May 2018.

The Board is mindful that the professional responsibility for the treatment and care of children in the hospices and children's centres founded and supported by Children in Distress now lies clearly with the medical professions and those in disciplines allied to medicine qualified and registered to practice in Romania. Nevertheless, they have considered the benefits of sponsoring the creation of a Children in Distress Charity Alliance, Medical Advisory Group, comprising professional representation from each of the charities comprising the Charity Alliance. This would offer guidance and advice on matters of professional education, training and best practice in the care and treatment of infants and children with profound disabilities and conditions arising from accident, infection, genetics or birth defects.

# Statement of Trustees' Responsibilities

The Trustees (who are also directors of the charitable company for the purposes of Company Law) are responsible 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).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of he state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records, that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website www.childrenindistress.org. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Provision of Information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the necessary steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Recruitment and Appointment of Trustees** 

The Trustees aim to maintain a board of nine to ten members with a range of skills and experience. When vacancies in the board

arise then new Trustees are recruited by recommendation from Trustees and friends of the Charity. New Trustees are

interviewed and then proposed to the Board for appointment by the Chair at the next Annual General Meeting.

The Trustees have the right to co-opt to their number candidates, who may subsequently be appointed a Trustee be general agreement at the Annual General Meeting of Trustees following their co-option. Once appointed, Trustees are given the Charity

Commission's booklet about the responsibilities of being a Trustee and a summary of the history, personnel and activities of the

charity. They are invited to an induction event and to participate in an orientation visit to projects in-country and given further

opportunities for training as required.

Reserves

The Trustees have adopted a reserves policy, which they consider appropriate to ensure the continued ability of the Charity to

meet its objectives. The Charity aims to maintain reserves at a level, which will provide a minimum of three months of running

costs in available unrestricted resources.

Investments

The Board of Trustees takes investment decisions. The Charity's investments policy is to maximise returns through investment in

deposit accounts with British owned banks, which are fully covered by the Government's guarantee scheme.

**Grant Making Policies** 

All projects that are accepted for assistance must be able to demonstrate that they fulfil the objectives of the Charity. Rigorous

controls and procedures are in place to ensure that grant money is spent on its intended purpose.

Risk

The Trustees have in place a policy for the identification and mitigation of risks, and for ensuring that an appropriate system of

internal controls is in place and working effectively.

Internal controls have been established to minimise the risks associated with the authorisation of transactions and the

safeguarding of assets, and to ensure that financial information is reliable. Procedures are in place to ensure compliance with

relevant laws and regulations.

Colon Mi for

Report of Trustees for the year ending 30th September 2017

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies'

regime. This report was approved by the Trustees and signed on their behalf by:

Cornelius McGill

Trustee

4<sup>th</sup> July 2018

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REGISTERED CHARITY NUMBER: 1001327
REGISTERED CHARITY NUMBER: SC039383

# Report of the Trustees and Financial Statements for the Year Ended 30 September 2017 for

**Children in Distress** 



CHARTERED ACCOUNTANTS

The Kelvin Partnership Ltd
Statutory Auditor
Chartered Accountants
The Cooper Building
505 Great Western Road
Glasgow
G12 8HN

# Contents of the Financial Statements for the Year Ended 30 September 2017

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# Report of the Independent Auditors to the Trustees of Children in Distress

#### **Opinion**

We have audited the financial statements of Children in Distress (the 'charity') for the year ended 30 September 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2017 and of its incoming re sources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 1993.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

# Report of the Independent Auditors to the Trustees of Children in Distress

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

The Kelvin Partnership Ltd
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Chartered Accountants
The Cooper Building
505 Great Western Road
Glasgow
G12 8HN

21 June 2018

# Statement of Financial Activities for the Year Ended 30 September 2017

				30.9.17	30.9.16
		Unrestricted	Restricted	Total funds	Total funds
	Not	fund £	funds £	£	£
	es	L	-	-	L
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	700,706	-	700,706	830,205
Charitable activities	5				
Direct charitable expenditure		-	-	-	3,613
Other trading activities	3	94,252	- 100	94,252	98,556
Investment income	4	46	_	46	155
Total		795,004		795,004	932,529
EXPENDITURE ON					
Raising funds	6	248,339		248,339	248,193
Charitable activities	7				
Direct charitable expenditure		630,616		630,616	606,872
Support costs		2,502	-	2,502	23,264
Other		27,133		27,133	
Total		908,590	-	908,590	878,329
NET INCOME/(EXPENDITURE)		(113,586)	-	(113,586)	54,200
RECONCILIATION OF FUNDS					
Total funds brought forward		210,063		210,063	155,863
			+ —		
TOTAL FUNDS CARRIED FORWARD		96,477		96,477	210,063

# **CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

# Balance Sheet At 30 September 2017

				30.9.17	30.9.16
		Unrestricted	Restricted	Total funds	Total funds
	Not	fund £	funds £	£	£
FIXED ASSETS	es				
Tangible assets	13	10,739	-	10,739	13,779
CURRENT ASSETS					
Debtors	14	16,847		16,847	14,686
Cash at bank and in hand		95,224	-	95,224	199,611
		112,071	-	112,071	214,297
CREDITORS					
Amounts falling due within one year	15	(26,333)		(26,333)	(18,013)
NET CURRENT ASSETS		85,738		85,738	196,284
			\ <del></del>		
TOTAL ASSETS LESS CURRENT LIABILITIES		96,477		96,477	210,063
NET ASSETS		96,477		96,477	210,063
		30,411		30,477	210,003
FUNDS	16				
Unrestricted funds				96,477	210,063
TOTAL FUNDS				96,477	210,063
101111111111111111111111111111111111111				30,477	210,003

The financial statements were approved by the Board of Trustees on 21 June 2018 and were signed on its behalf by:

Corneilus McGill

Colon Mi Lan

Trustee

# Cash Flow Statement for the Year Ended 30 September 2017

		30.9.17	30.9.16
	Notes	£	£
Cash flows from operating activities:			
Cash generated from operations	1	(104,433)	55,727
Net cash provided by (used in) operating activities		( <u>104,433)</u>	55,727
Cash flows from investing activities:			
Purchase of tangible fixed assets			(6,200)
Interest received		46	155
Net cash provided by (used in) investing activities		46	(6,045)
Change in cash and cash equivalents in the reporting period  Cash and cash equivalents at the beginning of t reporting period	he	(104,387) 199,611	49,682 149,929
Cash and cash equivalents at the end of the reporting period		95,224	199,611

## Notes to the Cash Flow Statement for the Year Ended 30 September 2017

# 1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.9.17	30.9.16
	£	£
Net income/(expenditure) for the reporting period (as per the state-		
ment of financial activities)	(113,586)	54,200
Adjustments for:		
Depreciation charges	3,040	4,109
Interest received	(46)	(155)
Increase in debtors	(2,161)	(6,820)
Increase in creditors	8,320	4,393
Net cash provided by (used in) operating activities	(104,433)	55,727

### 1. ACCOUNTING POLICIES

### Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

#### Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### Allocation and apportionment of costs

Resources expended are included in the statement of financial activities on an accruals basis inclusive of any VAT, which cannot be recovered and have been apportioned to cost categories as follows:

Wages and salaries - dependent on employee activity	Costs of generating funds	Direct charitable expenditure	Support for direct charitable expenditure	Governance
on employee activity				
Legal and professional fees	-		100%	-
Bank charges	30%	60%	<del>-</del>	10%
Book-keeper	-	-	-	100%
Audit and accountancy	-	- 1	-	100%
Telephone	30%	50%	10%	10%
Hotel and travel expenses	10%	80%	10%	-
All other expenditure	80%	-	10%	10%

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 20% on reducing balance

Motor vehicles - 25% on reducing balance

Computer equipment - 33% on cost and 33% on reducing balance

#### Taxation

The charity is exempt from tax on its charitable activities.

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### 1. ACCOUNTING POLICIES - continued

### Gifts in kind

Gifts of clothing etc received and given to overseas projects are included in the financial statements at market value at the time of export. Items donated for resale are included in shop income when sold and no value is placed on stock at the year end. Donated services are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

### **Grant Making**

Funds transferred to Romania are shown as grants payable to support the projects there. This reflects a change made some years ago in the approach to supporting operations in Romania where an agreed monthly transfer is made to be administered locally across projects. This gives more independence and reflects the actual position of the Romanian operation.

### 2. DONATIONS AND LEGACIES

	30.9.17	30.9.16
	£	£
Donations	313,182	338,176
Gift aid	53,068	50,677
Legacies	25,231	89,852
Trust income	8,975	50,000
Donated services and facilities	300,250	301,500
	700,706	830,205
3. OTHER TRADING ACTIVITIES		
	30.9.17	30.9.16
	£	£
Fundraising events	2,612	-
Shop income	91,640	98,556
	94,252	98,556
4. INVESTMENT INCOME		
	30.9.17	30.9.16
	£	£
Deposit account interest	46	155 ———
5. INCOME FROM CHARITABLE ACTIVIT	TIES	
	30.9.17	30.9.16
	Total activities	Total activities
	£	£
Cuanta	1	3,613
Grants	_	
Grants received, included in the above, are as	follows:	
	30.9.17	30.9.16
	£	
Grant	<del>-</del>	3,613

### 6. RAISING FUNDS

7.

8.

### **Raising donations and legacies**

	30.9.17	30.9.16
	£	£
Shop wages	30,805	29,084
Shop rent and rates	26,915	27,241
Shop heat light and insurance	1,605	2,159
Shop repairs, sundries and telephone	25	37
Shop motor expenses	8,900	6,673
Printing, appeals, advertising publications and exhibitions	30,456	33,877
Salaries - fund raising	26,722	29,229
Wages and salaries - UK	73,091	72,515
Pensions	3,938	3,770
Rent and rates	23,620	22,390
Insurance	863	857
Postage, stationery, copying, advertising and computer costs	10,036	8,855
Motor expenses	3,724	3,724
Telephone	1,731	1,646
Equipment leasing	2,622	2,072
Hotel and travel expenses	145	285
Sundry expenses - UK	709	739
Depreciation	2,432	3,040
	248,339	248,193
CHARITABLE ACTIVITIES COSTS		
Direct costs	Support costs	Totals
(See note 8)	(See note 9)	
f (20.742	£	£
Direct charitable expenditure 628,743	1,873	630,616
Support costs -	2,502	2,502
628,743	4,375	633,118
DIRECT COSTS OF CHARITABLE ACTIVITIES		
	30.9.17	30.9.16
	£	£
Staff costs	20,883	20,719
Gifts in kind	281,250	280,500
Grants	286,755	258,969
Grants Travel and subsistence		258,969 4,240
Travel and subsistence	286,755	
Travel and subsistence Carriage and general transport	286,755 3,678 5,099	4,240
Travel and subsistence Carriage and general transport Staff training and welfare	286,755 3,678 5,099 4,293	4,240 6,994 -
Travel and subsistence Carriage and general transport Staff training and welfare Transport and warehousing	286,755 3,678 5,099 4,293 19,000	4,240 6,994 - 21,000
Travel and subsistence Carriage and general transport Staff training and welfare Transport and warehousing Telephone	286,755 3,678 5,099 4,293 19,000 2,163	4,240 6,994 - 21,000 2,057
Travel and subsistence Carriage and general transport Staff training and welfare Transport and warehousing Telephone Hotel and travel expenses	286,755 3,678 5,099 4,293 19,000 2,163 1,159	4,240 6,994 - 21,000 2,057 2,277
Travel and subsistence Carriage and general transport Staff training and welfare Transport and warehousing Telephone	286,755 3,678 5,099 4,293 19,000 2,163	4,240 6,994 - 21,000 2,057

### 9. SUPPORT COSTS

			Governance	
		Management	costs	Totals
		£	£	£
Other resources expended		4,698	22,435	27,133
Direct charitable expenditure		1,873	-	1,873
Support costs		102	2,502	2,502
		6,571	24,937	31,508
Support costs, included in the above	are as follows:			
	, are as removes.			
Management				
			30.9.17	30.9.16
	Other	Direct	30.3.17	30.3.10
	resources	charitable	Total	Total
	expended	expenditure	activities	activities
	£	£	£	£
Pensions	492		492	471
Rent and rates	2,953		2,953	2,799
Insurance	107		107	107
Postage, stationery,copying,	514	741	1,255	1,107
advertising and computer costs				
Equipment leasing	328	-	328	259
Depreciation	304	1 1	304	380
Motor expenses	-	466	466	466
Telephone	-	433	433	411
Hotel and travel expenses		145	145	285
Sundry expenses - UK	-	88	88	93
canal, expenses civ	4,698	1,873	6,571	6,378
Governance costs				
			20.0.17	20.0.16
	Other		30.9.17	30.9.16
	resources	Support	Total	Total
	expended	costs	activities	activities
	£	£	£	£
Auditors' remuneration	6,000		6,000	6,000
Wages and salaries - UK	10,442	W .	10,442	10,359
Pensions	492		492	
Rent and rates	2,953	_	2,953	3,270
Insurance	107		107	107
Postage, stationery	1,255		1,255	1,107
Motor expenses	466		466	466
Equipment leasing	328		328	259
Sundry expenses - UK	88	2,502	2,590	93
Depreciation	304	-	304	380
Trustees' expenses				1,223
	22,435	2,502	24,937	23,264

### 10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2017 nor for the year ended 30 September 2016.

### Trustees' expenses

		30.9.17	30.9.16
		£	£
Trustees expenses		<u> </u>	1,223

There were no trustees' expenses paid for the year ended 30 September 2017.

### 11. STAFF COSTS

	30.09.14	30.09.13
	£	£
Wages and salaries	157,932	152,102
Pension costs	4,777	4,777
	162,709	156,879

### 12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies Charitable activities	830,205		830,205
Direct charitable expenditure	3,613	-	3,613
Other trading activities	98,556	· -	98,556
Investment income	155	-	155
Total	932,529		932,529
EXPENDITURE ON			
Raising funds	248,193	-	248,193
Charitable activities			
Direct charitable expenditure	606,872	_	606,872
Support costs	23,264	- 1	23,264
	878,329	-	878,329
NET INCOME/(EXPENDITURE	54,200		54,200
RECONCILIATION OF FUNDS			
Total funds brought forward	155,863	<del></del>	
1000 Andagas Ion Hara	_		
TOTAL FUNDS CARRIED FORWARD	210,063	_	210,063

12.	12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued				
			Unrestricted fund	Restricted funds	Total funds
			£	£	£
13.	TANGIBLE FIXED ASSETS				
15.	TAINGIBLE TIMED ASSETS	Fixtures and	Motor	Computer	
		fittings	vehicles	equipment	Totals
		£	£	£	£
	0007				
	COST				
	At 1 October 2016 and 30 September 2017	4,000	14,600	52,390	70,990
	DEPRECIATION				
	At 1 October 2016	4,000	6,550	46,661	57,211
	Charge for year		3,040		3,040
	At 30 September 2017	4,000	9,590	46,661	60,251
	NET BOOK VALUE				
	At 30 September 2017		5,010	5,729	10,739
	At 30 September 2016		8,050	5,729	13,779
14.	DEBTORS: AMOUNTS FALLING DUE V	WITHIN ONE	YEAR		
				30.9.17	30.9.16
				£	£
	Trade debtors			876	14.000
	Other debtors			15,971	14,686
				16,847	14,686
15.	CREDITORS: AMOUNTS FALLING DU	E WITHIN ON	E YEAR		
				30.9.17	30.9.16
				£	£
	Trade creditors			1,918	3,475
	Taxation and social security			2,255	2,257
	Other creditors			22,160	12,281
				26,333	18,013
16.	MOVEMENT IN FUNDS				
				Net movement	
		At 1	1.10.16	in funds	At 30.9.17
			£	£	£
	Unrestricted funds				
	General fund		210,063	(113,586)	96,477
	TOTAL FUNDS		210,063	(113,586)	96,477

### 16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	795,004	(908,590)	(113,586)
TOTAL FUNDS	795,004	(908,590)	(113,586)
Comparatives for movement in funds			
		Net movement	
	At 1.10.15	in funds	At 30.9.16
	£	£	£
Unrestricted Funds			
General fund	155,863	54,200	210,063
TOTAL FUNDS	155,863	54,200	210,063

Comparative net movement in funds, included in the above are as follows:

	Incoming	Resources expended	Movement in funds
	resources	expended	
	£	£	£
Unrestricted funds			
General fund	932,529	(878,329)	54,200
TOTAL FUNDS	932,529	(878,329)	54,200

### 17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2017.

### 18. FIRST YEAR ADOPTION

These financial statements for the year ended 30 September 2017 are the first financial statements that comply with FRS 102 Section 1A small entities. The date of transition is 1 October 2016.

There has been no impact on opening equity and profit for the comparative period.

## Detailed Statement of Financial Activities for the Year Ended 30 September 2017

io. the real index of depterment in		
	30.9.17	30.9.16
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	313,182	338,176
Gift aid	53,068	50,677
Legacies	25,231	89,852
Trust income	8,975	50,000
Donated services and facilities	300,250	301,500
	700,706	830,205
Other trading activities		
Fundraising events	2,612	-
Shop income	91,640	98,556
	94,252	98,556
Investment income		
Deposit account interest	46	155
Deposit account interest	40	133
Charitable activities		
Grants		3,613
Total incoming resources	795,004	932,529
EXPENDITURE		
Raising donations and legacies		
Shop wages	30,805	
Shop rent and rates	26,915	
Shop heat light and insurance	1,605	2,159
Shop repairs, sundries and telephone	25	37
Shop motor expenses	8,900	
Printing, appeals, advertising publications and exhibitions	30,456	
Salaries - fund raising	26,72	
Wages and salaries - UK	73,09	1 72,515
Pensions	3,938	3,770
Rent and rates	23,620	22,390
Insurance	86	3 857
Postage, stationery, copying, advertising and computer costs	10,03	6 8,855
Motor expenses	3,72	4 3,724
Telephone	1,73	
Equipment leasing	2,62	
Hotel and travel expenses	14	
Sundry expenses - UK	70	
Depreciation	2,43	
	248,33	9 248,193

This page does not form part of the statutory financial statements

## Detailed Statement of Financial Activities for the Year Ended 30 September 2017

ioi tile real zilaca oo septembel zezi	30.9.17 £	30.9.16 £
Charitable activities		
Wages and salaries - UK	20,883	20,719
Gifts in kind	281,250	280,500
Grants	286,755	258,969
Travel and subsistence	3,678	4,240
Carriage and general transport	5,099	6,994
Staff training and welfare	4,293	-
Transport and warehousing	19,000	21,000
Telephone	2,163	2,057
Hotel and travel expenses	1,159	2,277
Bank charges	4,463 628,743	3,738 600,494
		ŕ
Support costs		
Management		
Pensions	492	471
Rent and rates	2,953	2,799
Insurance	107	107
Postage, stationery, copying, advertising and computer costs	1,255	1,107
Motor expenses	466	466
Telephone	433	411
Equipment leasing	328	259
Hotel and travel expenses	145	285
Sundry expenses - UK  Depreciation	88 304	93 380
Depreciation	6,571	6,378
Governance costs		
Trustees' expenses	-	1,223
Auditors' remuneration	6,000	6,000
Wages and salaries - UK Pensions	10,442 492	10,359
Rent and rates	2,953	3,270
Insurance	107	107
Postage, stationery	1,255	1,107
Motor expenses	466	466
Equipment leasing	328	259
Sundry expenses - UK	2,590	93
Depreciation	304	380
	24,937	23,264
Total resources expended	908,590	878,329
Net (expenditure/income	(113,586)	54,200

This page does not form part of the statutory financial statements



### How to contact us and keep up to date with the Charity's work

The Children in Distress and Copii in Dificultate Websites are constantly being updated; reviewed and improved these sites reflect items of news and the changing nature of the Charity's work

www.childrenindistress.org

www.cid.org

### **Further contact information:**

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94 Duke Street Glasgow

G40UW

Tel: 0044 (0) 141 559 5690

E-mail: admin@childrenindistress.org.uk

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Piteşti, Argeş

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Spectrum Disorders,

Neatarnarii rd.

Sector 1

**Bucharest** 

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St Laurence Children Centre

Str. 1907 nr.10; Cernavoda, Constanta

Tel/Fax: 0241 23 75 15 E-mail: <a href="mailto:cernavoda@cid.org.ro">cernavoda@cid.org.ro</a> St Nicholas Child Development and Therapies Centre

Radu de la Afumati st no16 Tel/fax: +40-(0)21-210 31 21

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