

Children In Distress

Annual Report and
Financial Statements

31st December 2021



To cure, sometimes; To help, often; To comfort, always.



Children in Distress

(A Company Limited by Guarantee)

Operating as part of the
Children in Distress Charity Alliance

Annual Report and Consolidated Accounts
31st December 2021

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Trustees, Officers and Advisers

Chair

Dr Harry Ward

Trustee

John Burns

Trustee

Dr Robin Dunn

Trustee

Rev. June Hurn

Trustee

Ian Wiseman

Vice Chair

Canon Christopher Samuels

Governance & Legal Life President

Sir Neil Thorne OBE TD DL

Romanian Patron

Maria Popa

Executive Director for Romania & UK

Valentina Zaharia

Solicitors

Brechin Tyndal Oatts
48 St Vincent Street
Glasgow
G25 5HS

Statutory Auditors

The Kelvin Partnership
The Cooper Building
505 Great Western Road
Glasgow
G12 8HN

CID UK Administration

Operations Manager

Tina Connelly

Administrator/Fundraiser

Lesleyann Connelly

Administrator

Julian Dawydiak

Accountant

Vicky McColgan

Shop Manager: Kirkbymoorside

Marie Catchpole

Shop Manager: Guisborough

Tracy England

Shop Manager: Shildon

Melanie Jukes

Registered Office & Principal Office

Children in Distress
Suite 30, 94 Duke Street
Glasgow
G4 0UW

Bankers

Royal Bank of Scotland PLC
City Branch
10 Gordon Street
Glasgow
G1 3PL

Vision, Mission, Aim, Structure and Partners

Our Vision

“To cure, sometimes; To help, often; To comfort always”.

Purpose

In concert with our operating partners and sister charities Copii in Dificultate, & Help, Hope and Hospice, in Romania to deliver paediatric

palliative, respite and end of life care, and to provide educational opportunities, social welfare and training where and when required.

Aim

“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.

Structure

Children in Distress is a UK charity registered with 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. Our ongoing objective is to empower these organisations to self-sufficiency as soon as is practicable.

CID UK’s in-country Partners

ROMANIA Copii in Dificultate

St Nicolas Community Physiotherapy and Rehabilitation Service

St Margaret’s Centre for Children

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

St Helena’s Education and Welfare Project

St Cristofer’s Centre

Arges County Council

Bucharest School No 62

Centrul Sft Macrina

Matei Basarab Social and Cultural Association

Serban Voda Parish Church



Harry Ward Chairman

Strictly speaking this Chairman's statement should refer only to the year 2021. However, this will be the last Annual report put together by the current Board of CID UK. On 1st June 2022 we will hand over to a new Board recruited by Anne-Marie Martin and Simon Errington, both of whom have a long term interest in CID UK and CID Ro and have experience of serving on the UK Board.

Both organisations have come a long way since the Revd John Walmsley went on holiday to Romania in 1989 with his family and called at a children's orphanage near his hotel, where he found children tied to their beds, suffering from HIV and full AIDS. The rescue mission initiated by this experience was supported by some of the current Trustees and the President. Over the years the Organisation developed into a wide ranging service on five sites in Romania, providing for Children with Special Needs, including autism, blindness, together with school refusers.

Romania has become a more prosperous country, a full member of the European Union, and Romanian authorities have assumed more responsibilities for their children with Special Needs. Three Institutions originally set up and run by CID Ro have been handed over to Local Authorities or in the case of Cernovoda, to a local charity. Of these only Pitesti remains open and has been relocated by the local authority.

The current President and Board think that the original remit of the Organisation or CID UK has been fulfilled and vastly exceeded. This is an enormous testimony to the dedication of the Supporters, Staff and Board members of both Organisations over the years.

CID Ro, led by Valentina Zaharia-Smith, is in process of developing their services in line with modern practices for the care of Children with Special Needs. The new Board are confident that there is support for this in the UK and the Romanian diaspora within the UK. I leave it to Vali, our current CEO across the Organisations, and to the new Board to expand on this. It is not anticipated that there will be any immediate changes to operations of CID UK.

Those of us who are stepping down wish them the very best with this venture and hope that you, the Staff and Supporters, will continue to support them.

Hopes for a return to normality 2021 did not materialise with the Covid Pandemic persisting. However, support for CID Ro by CID UK was sustained by the donations and covenants of core supporters, the efforts of the staff to secure grants from local authorities, resurgent income from the shops when permitted to open, a successful Shoe Box campaign, and an important income from legacies.

The management and staff of Copii in Dificultate were faced with the persisting problem of keeping the children safe and maintaining staffing rotas. This required great personal


dedication and ingenuity on the part of the staff and management lead by our CEO Valentina and Vice President of Copii in Dificultate, Paul Kubaszky. This situation was exacerbated by one local authority not sustaining their contribution to the care of their children in St Margaret's, Bucharest.

In the UK, the Glasgow office and shops still had to cope with Covid restrictions. The staff continued to working from home for much of the time. Much of the fall income resulting was continued to be offset by the efforts of Operations Manager Tina Connelly in accessing local authority grants and furloughing staff as required. In the autumn an extremely successful Shoe Box campaign was mounted by staff and supporters. Much of this was down to the team in the Glasgow office and dedication of the team of volunteers in the Northeast of England who run transport and packing operations.

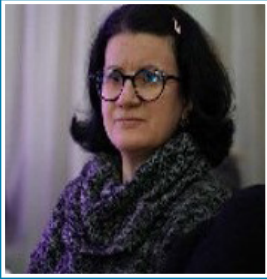
Our shops showed promise from increasing activity due to the enthusiasm and resource displayed by our Shop Managers, coordinated by Tina. We look forward to this trend continuing.

In 2021 Neil McGill stepped down as Trustee. In recent years he has made a huge contribution to the management of the CID UK in steering us through financial and staffing problems as well as bringing our registration with the Charity Commissions, Articles of Association and Governance documents up to date. He and Allan Gallacher, accountant, stepped down during Covid restrictions and we regret that we have not been able to show appreciation of their efforts fully.

The current Board of Trustees are thankful for the efforts of the Management team and Staff in meeting the demands of 2021. As for the future, the outgoing Board look forward to the prospect of a new and invigorated Board, whose members are enthusiastic about the proposed and already existing developments and changes afoot in Romania with CID Ro, taking over.



Harry Ward
Chair



Valentina Zaharia-Smith CEO

With a history of 30 years in the field of child care CID successfully fulfilled in all these years its mission, namely to cure, sometimes, to help often, to comfort, always.

Children in Distress has always made sure that its services reach those who needed them mostly, improving significantly especially the conditions of those children whose lives were threatened, who without our help had more or less no future.

Despite all the hardships caused by the changes and restrictions of the Covid 19 pandemic, we have maintained the quality of services provided to the children cared in our hospice, for those included in our educational, as well as in our community projects.

Although our charity shops have been repeatedly closed, both our volunteers and our staff have managed to bring them into a position of profitability. That is why I would like to thank everyone in a special way. The same hard and trying work was faced by my colleagues in the Glasgow office who had to face and adapt every day to all the challenges of the Covid 19 pandemic.

As the trips were still affected by the restrictions, the tour of the fans took place virtually. For a week we facilitated through video filming the meeting of the supporters with the children included in our projects. The meeting of the fans with the children from our services through video filming. The tour ended with a Thanksgiving service that took place in the Church of the Resurrection from Bucharest.

The event was supported by Her Royal Highness Princess Maria of Romania and the British Ambassador to Bucharest, Her Excellency Andrew Noble and his wife Helen Noble

One week later, in an official setting, Her Highness Princess Maria of Romania granted us her high patronage.

We continue to face a decline in income, which will lead to a different strategic thinking for Children in Distress how to continue to fulfill its mission to deliver the services badly needed by many children who were still distressed in Romania.

To all our donors, nonprofit partners, advisors and others who let us share their generosity, to our dedicated Board, I offer my sincere gratitude. Thank you for inspiring us and for joining us in building a better today for children who may not have tomorrow.

A handwritten signature in black ink, appearing to read 'V. Zaharia-Smith'.

Valentina Zaharia Smith

CEO

Objectives and activities

1. To cross ethnic and religious boundaries, and while the ethos of the Charity remains Christian, it works with children and young people of all races and religions and beliefs and none.
2. To strive for and advocate basic human rights, as well as the specific Rights of the Child as outlined in international charters and local statute.
3. To care for as many of Eastern Europe's children and young people in need and distress (of which persons are here in after referred to as "the Beneficiaries") as necessary and possible and improve their abilities, physical and mental health, education, social conditions and wellbeing.
4. To support the promotion of health, physical and mental development of the beneficiaries so as to enable them to grow to full maturity and achieve their full potential as individuals and members of society and so their condition of life may be improved.
5. To support established residential and training centers and to engage people in those centers with a view to developing and improving the beneficiary's ability to work and earn a living in modern society and to develop their life and social skills and attitudes with a view to becoming responsible citizens.
6. To promote and support our partner charities in the setting up and development of partnerships with central government, local authorities, and the local communities within which, we work. To help these charities and other identified partner charitable organisations caring for children to implement their stated vision, mission, and scope, to help children who find themselves in distress?
7. To increase the resources available for the support of the children and young people concerned by fundraising and encouraging other agencies and grant making trusts statutory and voluntary - to commit funds of these purposes.
8. To assist in the provision of facilities for the nursing, care, accommodation, education, and training of the Beneficiaries and to assist them in improving their condition of life.
9. To obtain, collect and receive money and funds by way of contributions, donations, subscriptions legacies, grants and any other lawful method, and to accept and receive gifts of property or any description (whither subject to any special trusts or not) for or towards the above purposes or any of them provided the Company shall not undertake any permanent trading in furtherance of its fundraising power.

Legacies, Substantial Personal & 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, personal gifts, Sponsorship or Trust donations.

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 & on behalf of:

Major Donors

Peter Atrill

Teresa Bond

Alan Carter

Daniel Clarke

Ian Gordon

Christopher Howell

Morag McIlwraith

Mr & Mrs Mickleburgh

Andy & Edith Moon

Trusts & Foundations

Boxhall Charitable Trust

Buckley Charitable Trust

Church Donations

Woodford Wells Ecumenical Church

St Martin's Serwood

Stokesley Christian Fellowship

Community of The Holy Cross

Legacies/In Memoriam

Majorie Bourne

Joyce Brooks

Alethea Rivers

Peter Roberts

Julie Thorpe

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.

Financial Review

Reserve's policy

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 6 months free reserves to cope with contingencies.

Funding

Funding received is sent to our sister charity (Copii in Dificultate) in Romania to meet our aims and objectives.

Funds from supporters are recorded against specific categories to recognise why the funds were given and the purpose for their use, some examples are, sponsor a child, gifts from the heart etc.

Future Plans

In 2025 Children in Distress will have achieved its 35th anniversary. The Board are undertaking a full strategic review in 2021 to determine our organisation, shape, and strategy in order that by the 35th anniversary we can communicate clearly the future direction of the charity.

Structure, Governance and Management

Governing document

Memorandum and Articles of Association 10031

Registered as a Private Limited Company by Guarantee with Companies House, 11th March 2010, number SC351218.

Registered as a Charity with OSCR, 13th March 2007, number SC039383 (The original Memorandum and Articles of Association were adopted by a Special Resolution agreed by the Board on 26th February 2008)

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 EU'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.



Recruitment and Appointment of Trustees

- Potential new Trustees are invited to apply giving their background and experience.
- The Trustees are given copies of the application.
- The candidate is invited to attend a Trustee meeting, given the opportunity to meet all.
- Trustees, given the opportunity to ask questions.
- After the meeting, the candidate and the Trustees can then evaluate if the skills.
- Knowledge, experience, to determine if this is a good match for all concerned.
- If the candidate is progressing towards being a Trustee they are initially co-opted onto the Board and at the next AGM, their position will be ratified.

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 the 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.

Organisational Structure and how Decisions are Made

Directors / Trustees

- 1) The number of Directors / Trustees with which the Company proposes to operate shall be a minimum of 5 and a maximum of 10.
- 2) The subscribers to the Memorandum and Articles of Association and such other persons as the Board shall admit to membership shall be members of the Company. Every member of the Company shall either sign a written consent to become a Member or sign the Register of Members on becoming Member.
- 3) A Member may at any time withdraw from the Company by giving at least seven days' notice to the Company. Membership shall not be transferable and shall cease on death.

The Company is established for the purpose expressed in the Memorandum and Articles of Association.

General Meetings

- 4) The Company shall hold a General Meeting in every Calendar Year as its Annual General Meeting at such time and place as may be determined by the Board and shall specify the Meeting as such in the notices calling it, provided that every Annual General Meeting except the first shall be held not more than fifteen months after the holding of the last preceding Annual General Meeting, and that so long as the Company holds its first Annual General Meeting within eighteen months after its incorporation it need not hold it in the year of its incorporation or in the following year.
- 5) All General Meetings, other than Annual General Meetings, shall be called Board of Trustee Meetings.
- 6) The Board may whenever they think fit convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or in default may be convened by such requisitions, as provided by section 132 of the Act.
- 7) Twenty-one days' notice in writing at the least of every Annual General Meeting and of every meeting convened to pass a special resolution, and fourteen days' notice

in writing at the least of every other Board of Trustee Meeting (exclusive in every case both of the day on which it is served or deemed to be served and of the day for which it is given), specifying the place, the day and the hour of the meeting, and in the case of special business the general nature of that business, shall be given in manner hereinafter mentioned to such persons (including the auditors) as are under these Articles or under the Act entitled to receive such notices from the Company; but with the consent of all the Members having the right to attend and vote there at, or of such proportion of them as is prescribed by the Act in the case of meetings other than Annual General Meetings, a meeting may be convened by such notices as those Members may think fit.

- 8) The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any resolution passed, or proceeding had, at any meeting.

Proceedings at General Meetings

- 9) All business shall be deemed special that is transacted at a Board of Trustee Meeting, and all that is transacted at any Annual General Meeting shall also be deemed special, with the exception of the consideration of the income and expenditure account and balance sheet, and the reports of the Board and of the auditors, the election of Directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.
- 10) A Director or Senior member of staff shall, notwithstanding that he is not a Member, be entitled to attend and speak at any General Meeting and only attend and speak at an extraordinary meeting if invited to do so by the Trustees.
- 11) No business shall be transacted at any Board of Trustee Meeting unless a quorum is present when the Meeting proceeds to business. Save as herein otherwise provided when the Meeting proceeds to business. Save as herein otherwise provided three persons personally present shall be a quorum, each being a Member or a proxy for a Member (or where a Body is a Member, its authorised representative).
- A quorum is determined as 50% + 1 of all Trustees
- 12) If within half an hour from the time appointed for the holding of a Board of Trustee Meeting a quorum is not present, the meeting, if convened on the requisition of Members entitled to vote shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other place as the Board may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the Members present (including those available via conferencing) and entitled to vote shall be a quorum providing that at least 4 Trustees are present.
- 13) The chairman, if any, of the Board or in his absence, some other Trustee nominated by the Trustees, shall preside as chairman of the meeting, but if neither the chairman nor such other Trustee (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Trustees present shall elect one of their number to be a chairman and, if there is only one Trustee present and willing to act, he or she shall be chairman.
- 14) The chairman may, with the consent of any meeting at which a quorum is present

(and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as often original meeting. Save as aforesaid, the Members shall not be entitled to any notice of any adjournment, or of the business to be transacted at an adjourned meeting.

- 15) At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the chairman or by at least 50% Members present in person or by proxy, or by a Member or Members present in person or by proxy and representing 50% of the total voting rights of all the Members having the right to vote at the meeting, and unless a poll be so demanded a declaration by the chairman of the meeting that a resolution has been carried or carried unanimously or by a particular majority and an entry to that effect in the minutes shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn.
- 16) Subject to the provisions of article 20, if a poll be demanded in manner aforesaid, it shall be taken at such time and place, and in such manner, as the chairman of the meeting shall direct, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded.
- 17) No poll shall be demanded on the election of a chairman of a meeting, or on any question of adjournment.
- 18) In the case of any equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
- 19) The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Votes of Members

- 20) Subject as herein after provided, every member shall have one vote.
- 21) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meetings at which the vote objected to be tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
- 22) Votes may be given on a poll either personally or by proxy. On a show of hands, a Member present only by proxy shall have no vote, but a proxy for a Body which is a Member may vote. A Body, which is a member may vote by its duly authorised representative.
- 23) The instrument appointing a shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if such appointer is a corporation under its Common Seal, if any, and if none then under the hand of some officer duly authorised in that behalf.
- 24) The instrument appointing a proxy and the power of attorney or other authority (if

any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meetings at which the person named in the instrument proposed to vote, or in the case of a poll not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

- 25) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Office before the commencement of the meeting or adjourned meetings at which the proxy is used.
- 26) An instrument appointing a proxy shall be in the following form, or as near thereto as circumstances admit: -

I / We Of

A Member/ Members of the above-named Company hereby appoint Of
And failing him

Of as my/our proxy to vote for me/us and on my/our behalf at the (Annual or Board of Trustee or Extraordinary or adjourned as the case may be) General Meeting of the Company to be held on the

Day of and at any and every adjournment thereof.

Signed this day of 20

- 27) Where it is desired to afford Members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near as circumstances admit: -

I/We Of

In the County of being a Member/Members of the above- named Company,
hereby appoint

Of

or failing him Of

As my / our proxy to vote on my / our behalf at the (Annual, Board of Trustee or extraordinary, as the case may be General meeting of the Company to be held on

----- day of ----- 20—and any adjournment thereof.

Signed, dated

Unless otherwise instructed the proxy will vote as he thinks fit

28) The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.



Induction and Training of New Trustees

New Trustees are given a full pack of information on the charity and its Governance Documents.

When the opportunity arises, the new Trustee is invited to an induction day where the history, strategy along with legislative requirements are discussed.

Risk Management

A Governance manual has been created which outlines the approaches to be taken to ensure all legislative requirements have been followed.

Critical activities are performed by external agencies

- Human Resources are outsourced to GCVS
- Accounting services are outsourced to Advantage Accounting
- The appointed auditors are The Kelvin Partnership

**Report of the Trustees and
Financial Statements for the Year Ended 31 December 2021**
for
Children in Distress



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 31 December 2021**

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**Reference and Administrative Details
for the Year Ended 31 December 2021**

TRUSTEES

Dr R Dunn
Canon C Samuels
Rev J Hurn
C McGill (resigned 31.5.21)
Sir N Thorne
H Ward
J Burns
I Wiseman (appointed 16.6.21)

REGISTERED OFFICE

Suite 30
Ladywell Business Centre
94 Duke Street
GLASGOW
G4 0UW

**REGISTERED COMPANY
NUMBER**

SC351218 (Scotland)

**REGISTERED CHARITY
NUMBER**

SC039383

AUDITORS

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

SOLICITORS

Brechin Tindal Oatts
48 St Vincent Street
Glasgow
G25 5HS

BANKERS

Royal Bank of Scotland Plc
City Branch
10 Gordon Street
Glasgow
G1 3PL

Report of the Independent Auditors to the Trustees and Members of Children in Distress

Opinion

We have audited the financial statements of Children in Distress (the 'charitable company') for the year ended 31 December 2021 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Report of the Independent Auditors to the Trustees and Members of Children in Distress

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees and Members of Children in Distress

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We enquired of the directors of the charities policies and procedures to detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud
- Reading Board minutes
- Using analytical procedures to identify any unusual or unexpected transactions

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud within the charity

As required by auditing standards we perform procedures to address the risk of management override of controls and in particular that the charity management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as provision for receivables, impairment and pension assumptions. On this audit we do not believe there is a fraud risk related to revenue recognition because the income is dependent on charitable donors and does not contain estimation uncertainty.

We did not identify any additional fraud risks

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the charity's fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included, as relevant, those posted to unusual accounts
- Assessing significant accounting estimates for bias

We discussed with management matters related to actual or suspected fraud and considered any implications for our audit.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and through discussion with the directors (as required by auditing standards)

As the charity is regulated our assessment of risks involved gaining an understanding of the control environment including the charity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statement varies considerably.

Report of the Independent Auditors to the Trustees and Members of Children in Distress

Firstly the entity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation and charities legislation) and we assessed the extent of the compliance with these laws and regulations as part of our procedures on the related ..

Secondly the entity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements We identified the transfers of monies to the entities sister organisation in Romania Copii in Dificultate. We ensured that we had the reciprocal auditors statement from Copii in Dificultate ensuring the agreement of monies transferred in the year.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and management and inspection of regulatory and legal correspondence, if any.

Therefore if a breach of operational regulations is not disclosed to us or evident from the relevant correspondence , an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of laws and regulations

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatement in the financial statements, even though we had properly planned and performed our audit in accordance with accounting standards. For example the further removed non-compliance with laws and regulations from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standard would identify it.

In addition, with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

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.

Report of the Independent Auditors to the Trustees and Members of Children in Distress

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Craig M Fotheringham CA BSc (Senior Statutory Auditor)
for and on behalf of 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

31 May 2022

**Statement of Financial Activities
for the Year Ended 31 December 2021**

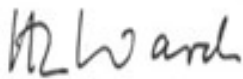
	Notes	31.12.21 Unrestricted funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	413,213	451,828
Charitable activities	5		
Charitable activities		55,285	39,471
Other trading activities	3	110,891	116,572
Investment income	4	641	170
Other income		<u>450</u>	<u>-</u>
Total		580,480	608,041
EXPENDITURE ON			
Raising funds	6	187,743	203,414
Charitable activities	7		
Charitable activities		379,997	492,696
Support costs		2,199	3,503
Governance costs		36,196	33,979
Total		<u>606,135</u>	<u>733,592</u>
NET INCOME/(EXPENDITURE)		(25,655)	(125,551)
RECONCILIATION OF FUNDS			
Total funds brought forward		181,509	307,060
TOTAL FUNDS CARRIED FORWARD		<u>155,854</u>	<u>181,509</u>

The notes form part of these financial statements

Children in Distress**Balance Sheet
31 December 2021**

		31.12.21 Unrestricted funds £	31.12.20 Total funds £
FIXED ASSETS	Notes		
Tangible assets	13	14,848	7,569
CURRENT ASSETS			
Debtors	14	13,760	13,557
Cash at bank and in hand		<u>141,675</u>	<u>171,504</u>
		155,435	185,061
CREDITORS			
Amounts falling due within one year	15	(14,429)	(11,121)
		<u>141,006</u>	<u>173,940</u>
NET CURRENT ASSETS			
		<u>155,854</u>	<u>181,509</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>155,854</u>	<u>181,509</u>
NET ASSETS		<u>155,854</u>	<u>181,509</u>
FUNDS	16		
Unrestricted funds		<u>155,854</u>	<u>181,509</u>
TOTAL FUNDS		<u>155,854</u>	<u>181,509</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 31 May 2022 and were signed on its behalf by:



H Ward - Trustee

The notes form part of these financial statements

Children in Distress

Cash Flow Statement for the Year Ended 31 December 2021

	Notes	31.12.21 £	31.12.20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(21,036)</u>	<u>(124,516)</u>
Net cash used in operating activities		<u>(21,036)</u>	<u>(124,516)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(10,500)	-
Sale of tangible fixed assets		1,066	-
Interest received		<u>641</u>	<u>170</u>
Net cash (used in)/provided by investing activities		<u>(8,793)</u>	<u>170</u>
		_____	_____
Change in cash and cash equivalents in the reporting period		(29,829)	(124,346)
Cash and cash equivalents at the beginning of the reporting period		<u>171,504</u>	<u>295,850</u>
Cash and cash equivalents at the end of the reporting period		<u><u>141,675</u></u>	<u><u>171,504</u></u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2021**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.21 £	31.12.20 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(25,655)	(125,551)
Adjustments for:		
Depreciation charges	2,605	2,405
Profit on disposal of fixed assets	(450)	-
Interest received	(641)	(170)
(Increase)/decrease in debtors	(203)	6,243
Increase/(decrease) in creditors	<u>3,308</u>	<u>(7,443)</u>
Net cash used in operations	<u>(21,036)</u>	<u>(124,516)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	<u>171,504</u>	<u>(29,829)</u>	<u>141,675</u>
	<u>171,504</u>	<u>(29,829)</u>	<u>141,675</u>
Total	<u>171,504</u>	<u>(29,829)</u>	<u>141,675</u>

**Notes to the Financial Statements
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with 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 (FRS102). The financial statements have also been prepared in accordance with the Charities Accounts(Scotland) Regulations Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

The charity is a public benefit entity as defined by FRS102.

The accounts are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. These policies have been consistently applied to all periods presented.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both the current and future periods

Income

All incoming resources are recognised once the charity has the entitlement to the resources, receipt of the income is probable and the monetary value of the incoming resources can be measured with sufficient reliability. Where income has been received in advance of entitlement, this is deferred to future periods.

Gifts in kind and donated services are included where the relevant value can be quantified.

Donations, covering public fundraising and top-up funding are recognised when receivable.

Grants Receivable

Income from government and other grants, whether 'capital' or 'revenue' are recognised when the charity has unconditional entitlement to the funds, it is probable that the income will be received, the amount can be measured reliably. Unconditional entitlement will be achieved once any conditions attached to the grants have been met, or fulfilment of these conditions is wholly within the control of the charity.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES - continued

Expenditure

All expenditure is included on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Raising funds expenditure comprises costs incurred in generating funds for the use in fulfilling the charitable objectives of Children in Distress

Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities for the benefit of the beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, which support the Charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognized in the charity's financial statements when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are only offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES - continued

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans are initially recognised at transaction price and are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Governance costs

Governance costs (which are included as a component of support costs (in accordance with SORP) comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit or independent examination).

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investment with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

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	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of the tangible assets to determine whether there are any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss(if any).

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. It is therefore potentially exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied for charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES - continued

Fund accounting

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.

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20
	£	£
Donations	196,363	191,497
Gift aid	34,717	38,355
Legacies	47,533	89,476
Donated services and facilities	<u>134,600</u>	<u>132,500</u>
	<u>413,213</u>	<u>451,828</u>

3. OTHER TRADING ACTIVITIES

	31.12.21	31.12.20
	£	£
Fundraising events	32,407	57,004
Shop income	<u>78,484</u>	<u>59,568</u>
	<u>110,891</u>	<u>116,572</u>

4. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Deposit account interest	<u>641</u>	<u>170</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.21 £	31.12.20 £
Council grants	Charitable activities	50,937	30,000
Job Retention Scheme	Charitable activities	4,348	9,471
		<u>55,285</u>	<u>39,471</u>

6. RAISING FUNDS

Raising donations and legacies

	31.12.21 £	31.12.20 £
Shop wages	41,987	35,231
Shop rent and rates	24,205	23,383
Shop heat light and insurance	3,207	3,735
Shop repairs, sundries	886	1,085
Shop motor expenses	8,436	8,850
Printing, appeals	13,662	7,709
Salaries - fund raising	-	16,680
Wages and salaries - UK	59,376	71,534
Pensions	961	1,299
Rent and rates	16,499	19,004
Insurance	1,101	35
Postage, stationery	9,610	7,615
Motor expenses	-	77
Telephone	2,081	1,832
Storage Rent	780	-
Equipment leasing	1,123	1,194
Hotel and travel expenses	212	1,129
Sundry expenses - UK	1,340	977
Depreciation	2,277	2,045
	<u>187,743</u>	<u>203,414</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Charitable activities	379,997	-	379,997
Support costs	-	2,199	2,199
Governance costs	-	<u>36,196</u>	<u>36,196</u>
	<u>379,997</u>	<u>38,395</u>	<u>418,392</u>

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Support costs	2,199	-	2,199
Governance costs	-	<u>36,196</u>	<u>36,196</u>
	<u>2,199</u>	<u>36,196</u>	<u>38,395</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.21 £	31.12.20 £
Auditors' remuneration	6,000	6,000
Depreciation - owned assets	2,605	2,405
Surplus on disposal of fixed assets	<u>(450)</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

11. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	<u>12,597</u>	<u>12,624</u>
	<u>12,597</u>	<u>12,624</u>

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Charitable activities	<u>7</u>	<u>7</u>

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	451,828
Charitable activities	
Charitable activities	39,471
Other trading activities	116,572
Investment income	<u>170</u>
Total	608,041
EXPENDITURE ON	
Raising funds	203,414
Charitable activities	
Charitable activities	492,696
Support costs	3,503
Governance costs	33,979
	<u> </u>
Total	733,592
	<u> </u>
NET INCOME/(EXPENDITURE)	(125,551)
RECONCILIATION OF FUNDS	
Total funds brought forward	307,060

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £
	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u>181,509</u>

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2021	4,000	16,100	54,720	74,820
Additions	-	10,500	-	10,500
Disposals	<u>-</u>	<u>(4,900)</u>	<u>-</u>	<u>(4,900)</u>
At 31 December 2021	<u>4,000</u>	<u>21,700</u>	<u>54,720</u>	<u>80,420</u>
DEPRECIATION				
At 1 January 2021	4,000	14,298	48,953	67,251
Charge for year	-	1,825	780	2,605
Eliminated on disposal	<u>-</u>	<u>(4,284)</u>	<u>-</u>	<u>(4,284)</u>
At 31 December 2021	<u>4,000</u>	<u>11,839</u>	<u>49,733</u>	<u>65,572</u>
NET BOOK VALUE				
At 31 December 2021	<u>-</u>	<u>9,861</u>	<u>4,987</u>	<u>14,848</u>
At 31 December 2020	<u>-</u>	<u>1,802</u>	<u>5,767</u>	<u>7,569</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Other debtors	6,400	6,585
VAT	338	227
Prepayments	<u>7,022</u>	<u>6,745</u>
	<u>13,760</u>	<u>13,557</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade creditors	4,629	87
Social security and other taxes	2,483	742
Pension	344	382
Accrued expenses	<u>6,973</u>	<u>9,910</u>
	<u>14,429</u>	<u>11,121</u>

16. MOVEMENT IN FUNDS

	At 1.1.21	Net movement in funds	At 31.12.21
	£	£	£
Unrestricted funds			
General fund	181,509	(25,655)	155,854
	<u>181,509</u>	<u>(25,655)</u>	<u>155,854</u>
TOTAL FUNDS	<u>181,509</u>	<u>(25,655)</u>	<u>155,854</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	580,480	(606,135)	(25,655)
	<u>580,480</u>	<u>(606,135)</u>	<u>(25,655)</u>
TOTAL FUNDS	<u>580,480</u>	<u>(606,135)</u>	<u>(25,655)</u>

Comparatives for movement in funds

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
Unrestricted funds			
General fund	307,060	(125,551)	181,509
	<u>307,060</u>	<u>(125,551)</u>	<u>181,509</u>
TOTAL FUNDS	<u>307,060</u>	<u>(125,551)</u>	<u>181,509</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	608,041	(733,592)	(125,551)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>608,041</u>	<u>(733,592)</u>	<u>(125,551)</u>

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

18. GOING CONCERN AND SUBSEQUENT EVENTS

The charity's funding is currently under review and thus the entities dynamics may change moving forward.

Consideration of COVID - 19 is a factor for the organisation and could impact future funding streams, however the organisation currently has sufficient cash reserves and secured, in principal, much of their main funding streams in the short term. The management have also proactively implemented a COVID - 19 plan and financial framework for future sustainability.

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2021**

	31.12.21 £	31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	196,363	191,497
Gift aid	34,717	38,355
Legacies	47,533	89,476
Donated services and facilities	<u>134,600</u>	<u>132,500</u>
	413,213	451,828
Other trading activities		
Fundraising events	32,407	57,004
Shop income	<u>78,484</u>	<u>59,568</u>
	110,891	116,572
Investment income		
Deposit account interest	641	170
Charitable activities		
Council grants	50,937	30,000
Job Retention Scheme	<u>4,348</u>	<u>9,471</u>
	55,285	39,471
Other income		
Gain on sale of tangible fixed assets	<u>450</u>	<u>-</u>
Total incoming resources	580,480	608,041
EXPENDITURE		
Raising donations and legacies		
Shop wages	41,987	35,231
Shop rent and rates	24,205	23,383
Shop heat light and insurance	3,207	3,735
Shop repairs, sundries	886	1,085
Shop motor expenses	8,436	8,850
Printing, appeals	13,662	7,709
Salaries - fund raising	-	16,680
Wages and salaries - UK	59,376	71,534
Pensions	961	1,299
Carried forward	152,720	169,506

Children in Distress

Detailed Statement of Financial Activities for the Year Ended 31 December 2021

	31.12.21	31.12.20
	£	£
Raising donations and legacies		
Brought forward	152,720	169,506
Rent and rates	16,499	19,004
Insurance	1,101	35
Postage, stationery	9,610	7,615
Motor expenses	-	77
Telephone	2,081	1,832
Storage Rent	780	-
Equipment leasing	1,123	1,194
Hotel and travel expenses	212	1,129
Sundry expenses - UK	1,340	977
Depreciation	<u>2,277</u>	<u>2,045</u>
	187,743	203,414
Charitable activities		
Gifts in kind	108,500	107,500
Transfers to Romania	239,342	353,687
Staff training and welfare	-	500
Transport and warehousing	26,100	25,000
Telephone	1,813	1,628
Hotel and travel expenses	12	85
Bank charges	<u>4,230</u>	<u>4,296</u>
	379,997	492,696
Support costs		
Management		
Pensions	53	102
Rent and rates	917	1,676
Insurance	61	65
Postage, stationery	534	571
Motor expenses	-	22
Telephone	363	611
Equipment leasing	62	105
Hotel and travel expenses	12	85
Sundry expenses - UK	67	86
Depreciation	<u>130</u>	<u>180</u>
	2,199	3,503
Governance costs		
Wages	12,597	12,624
Auditors' remuneration	6,000	6,000
Carried forward	18,597	18,624

This page does not form part of the statutory financial statements

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2021**

	31.12.21	31.12.20
	£	£
Governance costs		
Brought forward	18,597	18,624
Accountancy fees	14,688	11,898
Pensions	53	102
Rent and rates	917	1,676
Insurance	61	65
Postage, stationery	534	571
Motor expenses	-	22
Equipment leasing	62	105
Sundry expenses - UK	616	86
Professional fees	538	536
Depreciation	130	180
Trustees expenses	-	114
	<u>36,196</u>	<u>33,979</u>
Total resources expended	<u>606,135</u>	<u>733,592</u>
Net expenditure	<u>(25,655)</u>	<u>(125,551)</u>



Contact Details

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

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