

**CHILDREN IN CROSSFIRE**  
**(Incorporated Under Guarantee)**  
**Combined Management Accounts**  
**(Northern Ireland, Republic of Ireland & Tanzania)**  
**for the year ended 31st March 2013**

**For Internal Use Only**

# Children In Crossfire

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General Information

INCORPORATED	Northern Ireland 26th February 2005	Republic of Ireland 25th May 2005	Tanzania 6th February 2009
COMPANY NUMBER	NI 54061	343615	69692
DIRECTORS/TRUSTEES	M O'Neill (Chairperson) D McLeish J Murray R Kelly S Farrell D Fitzpatrick F McKinney Dr J McGuinness A Duffy H Henderson A Young	M O'Neill (Chairperson) D McLeish J Murray R Kelly S Farrell D Fitzpatrick F McKinney Fr O McCrossan Dr J McGuinness A Duffy H Henderson A Young	M O'Neill (Chairperson) D McLeish J Murray M O'Neill S Farrell D Fitzpatrick F McKinney A Young Dr J McGuinness A Duffy S Shayo Fr W Maningi
SECRETARY	U Moore	U Moore	R Moore
REGISTERED OFFICES	2 St Joseph's Avenue Abercorn Road Derry BT48 6TH	Carraig Rua Lower Drumaweir GREENCASTLE Co Donegal	Plot No 95, Block G Regent Estate PO Box 23204 Dar es Salaam
BANKERS	Northern Bank Shipquay Place Derry BT48 6DF	Bank of Ireland BUNCRANA Co Donegal	Barclays (Tanzania) Barclays House PO Box 5137 Dar es Salaam
ACCOUNTANTS	Moore Stephens Bradley McDaid 21-23 Clarendon Street Derry N Ireland BT48 7EP		Mekonsult Harbour View Towers Samora Ave PO Box 14950 Dar es Salaam

**Trustees' Report for year ended  
31st March 2013**

The Trustees, who are all members of the Board of Directors, present their report and the audited financial statements for the year ended 31st March 2013.

***Our Vision, Mission and Approach***

Children in Crossfire continues to operate within the overall framework of our 2011-2015 strategic plan in our endeavor to deliver our vision of creating a world where young children can reach their potential. The second year of this strategic cycle has been one of building on the foundations laid in the first year, increasing the coherency of our approach across all functions, cementing the relationships built with implementing partners, and measuring the impact of our interventions against milestones set.

**Our vision**

A world where young children can realise their potential.

**Our mission**

To ensure that young children perform effectively in their schools, communities and lives.

**Our goal**

The improved well-being of young children.

**Our approach**

By supporting both government departments and civil society in the countries where we work, Children in Crossfire is committed to its capacity to deliver services for young children and progress towards the realization of the the United Nations Millennium Development Goals (MDGs).

We adopt a programmatic integrated approach to early childhood development by supporting a range of mutually supportive initiatives with cross-cutting thematic areas, promoting inclusive and gender sensitive initiatives to meet the needs and protect the rights of young children in developing countries.

***What We Do***

***Healthcare***

We aim to improve children's healthcare by supporting organisations to train medical staff and provide equipment, treatment, and food. We focus on early diagnosis and rehabilitation for children with disabilities.

***Education***

Working with local organisations, we train teachers and provide educational equipment so that all children, including those with disabilities, can go to school.

***Rights***

We aim to ensure the rights of children are protected by supporting organisations to train professional people like teachers, doctors, lawyers, and police; the media and local communities on child rights.

**Reference and Administrative Details of the Charity, Trustees and Advisors**

The reference and administrative details of the Charity and the Directors/Trustees who served the Charity during the year are outlined on page 1.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governance and Internal Control**

The business of the Charity, which comprises three legal entities in UK, Ireland and Tanzania, is directed by the Board of Trustees which meets 4 times per year. The number, powers and proceedings governing the role and conduct of the Trustees are as laid out in the Memorandum and Articles of Association. The Board of Trustees aims to have a minimum of 10 members with of experience and skill-sets to help define and implement the strategic direction of the organisation.

appointed by but not a member of the Board. The Board is further supported by a number of sub committees such as Finance & General Purposes (FGPC) and International Programme (IPC). These committees comprise both Board and relevant staff representatives and provide a mechanism for more effective governance and input of the Board on executive matters.

Additionally, the Charity is an active member of a number of relevant sector networks including Institute of Fundraising (IoF), Community Association for Development Action (CADA) and Dochas, the Irish Association of Non-Governmental Development Organisations. The Charity uses these associations to both develop and benchmark its governance activities against peer organisations.

**Trustees' Report for year ended  
31st March 2013 (cont'd)**

**Risk Management**

The Charity continues to develop its risk management programme. During the year the Trustees, through the forum of Finance and General Purposes Committee, reviewed its risk register and specifically the relative effect of the top 10 risks facing the organisation covering governance, operational, financial and regulatory matters. Progress has been made over last 12 months towards mitigating some of these risks while plans have been developed and assigned to designated 'risk owners' to prioritise those risks that may have increased in relative significance. These include:-

- rebuilding unrestricted Reserves through targeted investment in sustainable, robust income streams;
- continue to implement results based management (RBM) approach to improve tracking of key performance metrics
- further profiling of the Charity through a structured, cohesive PR strategy.

**Achievements and Performance**

Children in Crossfire's 2011-15 strategic plan remains the foundation of our entire work. During 2012 we embarked on implementing a Results Based management system across the organisation. Our International Programmes have been strengthened to bring the experience from Tanzania to our other developing countries of Ethiopia and The Gambia. The Development Education programme continues to engage the general public in Ireland and the UK to develop critical thinking and establish appropriate links between engagement in CIC's programmes and behaviour change.

Children in Crossfire has continued to develop and expand its international programme across its 'cross-cutting' thematic areas concentrating on early childhood development with a particular emphasis on vulnerable children. Examples of our achievements in the last year include:-

**Nutrition:-** Our continued support for the Therapeutic feeding centre attached to St.Luke's Hospital in Wolisso has progressed to health workers visiting rural districts, conducting outreach clinics and referring most vulnerable children. Mortality rates continue to decline despite the increased referral rates, while nutritional training for parents and support for food growth has added to the overall improving situation.

**Stimulation:-** Following neuroscience research demonstrating 85% human brain development linked to language in the year of life, we have supported a 'Talk To Your Baby' campaign to address the huge disparity in direct interaction between targeted groups in Tanzania and their Western equivalents. This project has received widespread support, media cover and endorsement with demonstrable benefits expected from 2013 onwards.

**Health & Care:-** In Tanzania we have expanded the clinical facilities at the only free cancer treatment hospital for young children in Eastern Africa. A recently established local civil society organisation now champions non-clinical services for these children providing daily schooling, play therapy and family support. Survival rates continue to improve and children have the opportunity to lead as normal a life as possible during the term of their treatment.

**Disability Care:-** In Gambia, we have moved to our next phase of integrating visually-impaired children into mainstream education. Teachers from 170 primary schools covering 6 regions have been trained on the specific needs of the children. Learning resources have been sourced and individual training plans developed for 521 children. This will give these children in the rural areas an opportunity to realize their right to education.

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During 2012, Children in Crossfire has broadened its institutional donor base with grant income generated from within its programme countries. The support and engagement of some of these "specialist ECD" donors helps validate the nature of our interventions.

**Trustees' Report for year ended  
31st March 2012 (cont'd)**

**Financial Review**

Total incoming resources for the year were £1,653,239 of which 68% was generated from institutional and Trust donations and 32% from community fundraising activities.

The largest single donor accounted for approximately 26% of income, as the Charity continues to manage its risk of exposure by diversifying its income sources.

Total resources expended were £1,562,990. Approximately 80% (2012 - 84%) of this was expended on direct charitable activities, 19% (2011 - 15%) on generating funds and less than 1% (2011 - 1%) on governance costs.

**Reserves Policy**

Free Reserves are defined by the Trustees as those funds freely available for use as the organisation so determines and thereby excludes any restricted or designated funds. The Trustees understand the need to continually review its Reserves position as contingency in safeguarding its programmes and objectives.

Specifically, the Reserves are required to:

- maintain the equivalent of three months' running costs in case of any unforeseen or statutory commitments;
- have a reasonable level of bridge funding to support cash-flow for projects or programmes where donor funding may be delayed such as block grant funding;
- have a reasonable level of funding to support cash-flow where donor funding is contracted receivable in arrears;
- hold a level of contingency funds to protect against any shortfall in expected donor funding.

While acknowledging that these commitments will not occur simultaneously, the Trustees have recognised that unreserved Reserves have fallen below the targeted 12.5% of annual income, although adequate for current needs. Plans have been developed and incorporated within the budgetary and ongoing review process to redress this position.

**Plans for Future Periods**

Children in Crossfire's international programmes and projects continue to develop in 3 countries of Tanzania, Ethiopia and The Gambia. The focus on early childhood development with a strategic approach of targeted geographic intervention in line with national government policy supported by advocacy activities at the local and national level remain key to the success of these programmes.

The Tanzanian programme is in its growth/maturity phase with measurable impact emerging in 2013. This programme and the lessons learned will form the blueprint for developing coherent programmes in both Ethiopia and The Gambia in existing individual projects with implementing partners.

These activities continue to be underpinned by awareness-raising of global justice issues in UK and Ireland with particular relevance to our international programmes. In addition, the Charity continues to pursue its 'multi-strand' funding strategy to secure the necessary resources required to deliver these activities under the direction of a strong and involved Board of Trustees.

**Statement of Financial Activities**  
**(Incorporating the Income and Expenditure Account)**  
**for the year ended 31st March 2013**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
<b>Note</b>				
<b>Incoming Resources</b>				
<i>Income from Charitable Activities</i>				
Grants and Project Income	-	1,124,715	1,124,715	909,555
<i>Activities for Generating Funds</i>				
Fundraising Donations Received	525,080	326	525,406	509,456
<i>Investment Income</i>				
Bank Interest	3,118	-	3,118	4,911
	<u>3</u> 528,198	<u>1,125,041</u>	<u>1,653,239</u>	<u>1,423,922</u>
<b>Resources Expended</b>				
<i>Direct Charitable Expenditure</i>	305,657	951,920	1,257,577	1,229,040
<i>Cost of Generating Funds</i>	290,417	-	290,417	221,494
<i>Governance Costs</i>	14,909	86	14,996	21,859
<b>Total Resources Expended</b>	<u>4</u> 610,984	<u>952,006</u>	<u>1,562,990</u>	<u>1,472,393</u>
<b>Net incoming resources for the year</b>	<u>5</u> (82,785)	173,035	90,249	(48,471)
<b>Net Movement in Funds</b>	(82,785)	173,035	90,249	(48,471)
<b>Balance at 1st April 2012</b>	199,297	48,430	247,727	296,198
<b>Balance at 31st March 2013</b>	<u>116,512</u>	<u>221,465</u>	<u>337,976</u>	<u>247,727</u>

These accounts have been prepared for internal purposes only to show the total incoming resources and resources expended by Children in Crossfire NI, Children in Crossfire ROI and Children in Crossfire Tanzania.

These combined accounts have not been audited although the individual statutory accounts have been audited in full in compliance with legislative requirements.

The notes on pages 7 to 10 form part of these accounts.

2013

**Children In Crossfire  
Balance Sheet  
as at 31st March 2013**

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	Note	2013		2012	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets			2,841		4,553
<b>Current Assets</b>					
Debtors and Prepayments	5	93,482		82,187	
Cash at Bank and on Hand		427,541		375,651	
<b>Net Current Assets</b>		<u>521,023</u>		<u>457,838</u>	
<b>Creditors: Amounts Falling Due Within One Year</b>	6	<u>(185,888)</u>		<u>(214,664)</u>	
			335,135		243,174
<b>Total Assets less Current Liabilities</b>			<u>337,976</u>		<u>247,727</u>
<b>Funds</b>					
Unrestricted	7		116,512		199,297
Designated			-		0
Restricted	8		221,465		48,430
			<u>337,976</u>		<u>247,727</u>

The notes on pages 7 to 10 form part of these accounts.



**Notes to the Financial Statements for the Year Ended  
31st March 2013**

**1. Nature of the Company**

Both charities are companies limited by guarantee and do not have a share capital.

**2. Statement of Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

**2.1 Basis of Preparation**

These accounts are prepared for management information purposes only and are not statutory financial statements.

They represent the combined statement of financial activities and balance sheets of two companies, Children in Crossfire (incorporated in Northern Ireland), and Children in Crossfire (incorporated in Republic of Ireland).

Statutory financial statements are prepared and filed separately for both companies. The results are then combined within these management accounts, in order to allow Trustees to review and assess the overall performance of both companies in just one currency, Sterling or Euro.

**2.2 Incoming Resources**

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

**(i) Income from Charitable Activities**

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

**(ii) Activities for Generating Funds**

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the charity becomes unconditionally entitled to the grant.

**(iii) Investment Income**

Investment income is included when receivable.

**2.3 Resources Expended**

**(i) Direct Charitable Expenditure**

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

**(ii) Cost of Generating Funds**

Costs of generating funds comprise the costs associated with attracting voluntary/fundraising income.

**(iii) Governance Costs**

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the charity.

**Notes to the Financial Statements for the Year Ended  
31st March 2013**

**2.4 Taxation**

As a Charity, Children in Crossfire is not liable to Corporation Tax.

**2.5 Fund Accounting**

The Charity has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

**(i) Restricted Funds**

Represents funds received which are earmarked by the donor for specific purposes. Such purposes are within the overall aims of the organisation.

**(ii) Unrestricted Funds**

Represents funds which are expendable at the discretion of the Trustees in furtherance of the objectives of the Charity. In addition funds may be held in order to finance capital investments and working capital.

**3. Incoming Resources**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2013 £</b>	<b>Total Funds 2012 £</b>
<b>(a) Income from Charitable Activities - Grant Aid</b>				
Irish Aid	-	433,069	433,069	443,918
DFID	-	114,297	114,297	120,515
Elma	-	109,376	109,376	-
Apex/N&W Housing	-	40,000	40,000	6,158
GMB Union	-	1,005	1,005	62,991
KinkerKandcrfonds	-	49,007	49,007	52,844
UBS	-	83,765	83,765	-
Resolute	-	6,400	6,400	23,943
Other	-	250,061	250,061	188,578
	<u>-</u>	<u>1,086,980</u>	<u>1,086,980</u>	<u>898,947</u>
<b>(b) Activities for Generating Funds - Fundraising Donations</b>				
Direct Marketing	193,588	-	193,588	213,292
Events	221,736	-	221,736	129,760
Community	71,739	-	71,739	47,335
Schools	14,239	-	14,239	9,675
General	23,616	326	23,942	80,204
Corporate	16,486	-	16,486	29,008
Other	-	-	-	182
	<u>541,403</u>	<u>326</u>	<u>541,729</u>	<u>509,456</u>
<b>(c) Investment Income - Bank Interest</b>				
	3,118	-	3,118	4,911
<b>Total Incoming Resources</b>	<u>544,521</u>	<u>1,087,306</u>	<u>1,631,827</u>	<u>1,413,314</u>
Income released in current year	-	188,323	188,323	139,352
Income deferred in current year	(16,323)	(150,588)	(166,911)	(128,744)
	<u>528,198</u>	<u>1,125,041</u>	<u>1,653,239</u>	<u>1,423,922</u>

**Notes to the Financial Statements for the Year Ended  
31st March 2013**

**4. Resources Expended**

	Staff costs £	Support costs £	Other Direct Costs £	Total 2013 £	Total 2012 £
<b>(a) By Fund</b>					
<b>Restricted Funds</b>					
Direct Charitable Expenditure	132,031	117,893	701,995	951,920	955,594
Cost of Generating Funds	-	-	-	-	11,974
Governance Costs	-	86	-	86	8,065
<b>Totals</b>	<u>132,031</u>	<u>117,980</u>	<u>701,995</u>	<u>952,006</u>	<u>975,633</u>
<b>Unrestricted Funds</b>					
Direct Charitable Expenditure	197,061	96,717	11,879	305,657	273,446
Cost of Generating Funds	111,049	20,245	159,123	290,417	209,520
Governance Costs	2,581	2,632	9,696	14,909	13,794
<b>Totals</b>	<u>310,691</u>	<u>119,594</u>	<u>180,699</u>	<u>610,984</u>	<u>496,760</u>
<b>Total Expenditure</b>	<u>442,723</u>	<u>237,573</u>	<u>882,694</u>	<u>1,562,990</u>	<u>1,472,393</u>
<b>(b) By Expenditure Type</b>					
<b>Direct Charitable Expenditure</b>					
Health and Education	294,462	214,610	694,594	1,203,665	1,184,171
Development, Education and Awareness	34,631	-	19,281	53,912	44,869
	<u>329,093</u>	<u>214,610</u>	<u>713,874</u>	<u>1,257,577</u>	<u>1,229,040</u>
<b>Cost of Generating Funds</b>					
Fundraising Costs	<u>111,049</u>	<u>20,245</u>	<u>159,123</u>	<u>290,417</u>	<u>221,494</u>
<b>Governance Costs</b>					
Audit Fee	-	-	7,800	7,800	14,541
Trustee Costs	-	1,781	-	1,781	1,314
Legal and Professional Fees	2,581	937	1,896	5,414	6,004
	<u>2,581</u>	<u>2,718</u>	<u>9,696</u>	<u>14,995</u>	<u>21,859</u>
<b>Total Expenditure</b>	<u>442,723</u>	<u>237,573</u>	<u>882,694</u>	<u>1,562,990</u>	<u>1,472,393</u>

**Notes to the Financial Statements for the Year Ended  
31st March 2013**

**5. Debtors and Prepayments**

	2013	2012
	£	£
Grant Income Receivable	70,790	57,398
Fundraising Income Receivable	3,012	19,854
Prepayments	19,680	4,935
	<u>93,482</u>	<u>82,187</u>

**6. Creditors: Amounts Falling Due Within One Year**

	2013	2012
	£	£
Accruals	18,867	25,746
Deferred Income	167,021	188,917
	<u>185,888</u>	<u>214,664</u>

**7. Unrestricted Funds**

	2013	2012
	£	£
Opening Balance	199,297	181,872
Net Movement in funds for the Year	(82,785)	17,425
Closing Balance	<u>116,512</u>	<u>199,297</u>

**8. Restricted Funds**

	1 April 2012	Incoming Resources	Outgoing Resources	31 March 2013
Irish Aid	14,009	433,069	433,069	14,009
DFID	-	114,297	114,297	-
Elma	-	109,376	109,376	-
Apex/N&W Housing	-	40,000	40,000	-
KinkerKanderfonds	-	49,007	49,007	-
Other Restricted Grants/Donations	34,421	379,292	206,257	207,456
	<u>48,430</u>	<u>1,125,041</u>	<u>952,006</u>	<u>221,465</u>