

**CHILDREN IN CROSSFIRE**  
(A company limited by guarantee and not having a share capital)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**NI 054061**

**Moore Stephens**  
**(NI) LLP**

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Charity Reference NIC 101412

**CHILDREN IN CROSSFIRE**  
**(A company limited by guarantee and not having a share capital)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**NI 054061**

**CHILDREN IN CROSSFIRE**

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**CHILDREN IN CROSSFIRE**

**LEGAL & ADMINISTRATIVE INFORMATION**

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**Incorporated** 26<sup>th</sup> February 2005

**Company number** NI 054061

**Charity reference number** NIC 101412

**Trustees** Marcus O'Neill Chairman  
Anne Duffy  
Seamus Farrell  
Dominic Joseph Fitzpatrick  
Rose Kelly  
Dr Joan McGuinness  
Don McLeish  
Joseph Murray  
Helen Henderson  
Ashley Young  
Liam Nellis

**Registered Office** 2 St. Joseph's Avenue  
Abercorn Road  
Derry ~ Londonderry  
BT48 6TH

**Auditors** Moore Stephens (NI) LLP  
21/23 Clarendon Street  
Derry ~ Londonderry  
BT48 7EP

**Bankers** Bank of Ireland  
15 Strand Road  
Derry ~ Londonderry  
BT48 7BT

Danske Bank  
Shipquay Place  
Derry ~ Londonderry  
BT48 6DF

## CHILDREN IN CROSSFIRE

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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The Trustees are delighted to present below their report and financial statements for year ending 31<sup>st</sup> March 2018.

#### Our aims and objectives

##### **Purposes & Aims**

Established in 1996 borne out of a conviction that children everywhere have the right to develop to their full potential and live a happy life, Children in Crossfire works to bring positive and sustainable change to the lives of children who are caught in the crossfire of poverty.

We strive for a compassionate world where every child can reach his or her potential, working with other to tackle the injustices of poverty affecting children while upholding our core values of compassion, accountability, partnership and equality.

Our strategic direction is reflected in our two main strands of our work:-

1. Early Childhood Development (ECD) programmes in Tanzania and Ethiopia to help address the developmental needs of young children, caught up in the injustice of poverty, to build a solid foundation from which they can grow and thrive into healthy and happy individuals; and
2. Development Education (DE) and Public Engagement (PE) programmes in Ireland and the UK to help people better understand the structural causes of poverty, global interdependence, and the impact that personal choices and actions have upon people across the world.

##### **Ensuring our work delivers our aims**

Children in Crossfire acknowledges the complexity of working in a 'development' context and the multi-dimensional considerations which impact on our ability to deliver on our strategic outcomes. Therefore in order to ensure that children gain essential social and cognitive competencies from quality schooling opportunities, we will concurrently work with schools, families, communities and governments to help address the needs/barriers which hinder communities' participation in enabling children access the learning environment critical to their chances to achieve.

Children in Crossfire further believes that development education and public engagement in Ireland is the catalyst to a wider understanding of global issues and that an engaged global citizenry will in turn increase public support for international development.

Underpinning this two-pronged approach is an organisational structure committed to developing and maintaining effective governance, resource management and results-based management across all programmes of work and within a consistent policy framework. Two specific instances which demonstrate commitment to an 'enabling' environment is our response to the recent negative sectoral publicity around safeguarding (full comprehensive review to field and partner level) and our decision to invest in a dedicated Business Development Specialist to counter the reduction in resources due to loss of Dubai Cares funding.

##### **The focus of our work**

The overarching guide to our work continues to be the organisational strategic plan, *A Present for the Future* (2017-2021).

For Children in Crossfire, the focus is on sustainable change and a belief that this can only be fully realised through a programmatic approach to our work. Aligned to Sustainable Development Goal No 4 "*to ensure inclusive and equitable quality education and promote life-long learning opportunities for all*", our interventions are designed to promote collaboration between vulnerable families, communities, civil society and government.

We continue to implement our two-pronged approach to delivering sustainable change. Our Integrated School Readiness Programmes (ISRP) in Tanzania and Ethiopia will attend to young girls and boys aged 0-6 years to help them reach their development potential, including stimulation in the home and age appropriate education in pre-school centres and pre-primary schools. This will be complemented by our work in Ireland and the UK to deliver Development Education (DE) and Public Engagement (PE) programmes that build understanding of the structural causes of poverty and injustice. This approach aligns closely with Ireland's One World One Future (OWOF) policy and Outcome 7 of the Framework for Action which identifies "*improved access to and attainment of quality education outcomes by poor and marginalised citizens*".

### **Programme Interventions**

#### **1. Tanzania Programme**

Our Tanzanian programme will build on the successes of the individual pre-school and pre-primary programmes, delivering an integrated approach which continues to focus on children ranging 0-6 years old developed across two main pillars:-

- **direct programming and service delivery through local partners** delivered at community and regional/local government levels addressing community issues and 'barriers' to education; and
- **advocacy and national strategic partnerships** – seeking to catalyse improvements in coverage and quality of national provision of ECCE in Tanzania.

#### **2. Ethiopia Programme**

Our Ethiopia programme, although operating in a different context and environment to Tanzania, will however benefit from the many commonalities and cross-learning opportunities. The 'twin-track' approach will involve:-

- **project development and extension** with current implementing partners; and
- **phased implementation of Integrated school readiness programme** building on the school readiness pilot conducted but extending to address 'access' issues such as health, nutrition and safe water supply.

#### **3. Development Education / Public Engagement Programme**

Our Development Education (DE) programme will continue to increase cultivation of global citizenship through the formal education sector working in partnership and utilising an innovative and ground-breaking approach through our 'TIDAL Educating the Heart' brand. Our Public Engagement (PE) programme will simultaneously increase understanding of the importance of supporting International Development fostered amongst the wider Irish public.

#### **How our activities deliver public benefit**

As an international non-governmental organisation (INGO) our activities are primarily focused on benefitting the lives of young children in our target countries by promoting collaboration between vulnerable families, communities, civil society and government towards meeting agreed needs. For example, at the national level in Tanzania we have been a significant player in the campaign advocating for both recognition and more investment in the rights of young children which has seen greater funding in pre-primary education and development of national child protection systems in Tanzania.

In the UK/Ireland our development education and public engagement programmes seeks to benefit the general public through engagement in increasing understanding of and taking action to change the underlying causes of global justice issues that have given rise to our international programmes.

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2018**

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**Financial Review**

Total incoming resources for the year were £1,401,463 (a 24% reduction on 2017). The reduction is almost entirely attributable to the ending of the Dubai Cares-funded FKW programme grant and the inability to date to replace this significant grant funding. This grant is exclusively applied to Tanzania

and, while the impact has been partially mitigated by realignment of operating cost base and programme scope, the urgency remains to find additional grant funds which enable programme development and growth. Restricted funds account for 63% of total incoming resources in the period under review, with one major funder accounting for 37% of incoming resources. Efforts continue to redress this imbalance and there have been a few mid-tier Trust grant funders secured into the coming year. The Board recognises the need for a balanced portfolio of institutional funders and hence the investment in strategic grant fundraising to redress.

Unrestricted income accounts for 37% of incoming resources which is down 8% on previous year, however the cost of generating these funds was significantly less in the period mainly due to staff savings and this contributed to an overall 'net' contribution increase of almost 16%.

Total resources expended were £1,908,024. Approximately 85% (2017 - 84%) of this was expended on charitable activities, with the remaining 15% (2017 - 16%) on generating funds. These figures represent a sustained high level of direct charitable interventions.

Unrestricted Reserves have reduced by 10% in the year which is largely a consequence of the decision made to invest in a grant fundraising resource.

**Reserves Policy**

Unrestricted 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. 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 or funded in arrears; and
- have a level of contingency funds to protect against any shortfall in expected donor funding.

The Finance and General Purposes Committee (F&GPC), which monitors Reserves on behalf of the Trustees, have noted that Unrestricted Reserves have reduced by 10% over the course of the year and attribute this to three main factors: 1) the ending of a major grant funder and the lack of contribution to core costs thereof; 2) cost of investment in grant fundraising resource; and 3) marginally below budget performance on unrestricted income. While any reduction in Reserves is of concern, the F&GPC and Trustees acknowledge the conditions which have given rise to the decline and commit to monitor closely the performance over the coming years. The relative target of Reserves to incoming resources (12½%) will also be reviewed over the coming year.

**Major Achievements in the Year**

Children in Crossfire commemorated its 20<sup>th</sup> anniversary with a 2-day visit by our patron His Holiness the Dalai Lama. This visit was the culmination of a number of activities marking a very significant milestone in the organisation's history and an opportunity to reflect on both achievements to date and the challenges which lie ahead. The main activity of the visit was an oration given by His Holiness to a captive audience of over 1,000 supporters on the values of humanity and global justice, those same values enshrined in Children in Crossfire's purpose.

The last year has not been without its challenges. The natural conclusion of the very successful 5-year Fursa kwa Watoto ("Opportunities for Children") programme in Tanzania has significantly reduced our incoming resources and consequential scale of work. In response a dedicated resource has been recruited to specifically secure alternative grant funding for our Tanzanian programme, but also our broader programme of work. There has been limited success to date despite some high-quality applications, however our Development Education programme has managed to attract upwards of £300K commitment from 2 separate grantors over a 3-year term.

## CHILDREN IN CROSSFIRE

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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In addition our Fundraising team has been restructured following an independent evaluation with a new Head of department introducing new approaches to help develop fundraising streams.

As referenced above, this year has seen the conclusion of a very successful Tanzanian pre-primary focused education programme (FKW) which has not only achieved some very impressive direct results but established a platform, model and profile for cost-effective pre-primary interventions going forward. Some of the direct results include 37,000 children across 120 schools gaining improved pre-primary education in Kilimanjaro and Mwanza regions, while in excess of 600 teachers have been trained to deliver improved teaching practices. The results to date have provided the platform for the launch of our new 5 year Integrated School Readiness Programme which will ensure 100,000 children will be healthy, happy and have access to a good quality education.

Due to a state of political instability, our plans to develop an integrated programme in Ethiopia received a setback. However our ongoing partnership with St Luke's continued to deliver health and nutritional interventions in the Wolisso area of Ethiopia with 350 severely malnourished children treated, a further 70 health extension workers (240 in total) trained and access to safe water provided for over 10,000 people. The political situation has thankfully improved significantly into 2018 and we are now able to push ahead with our programming plans.

Our Development Education programme continues to work with the wider formal education sector to foster a deeper engagement with global citizenship across curriculum, policy and practice. Our TIDAL programme remains the primary vehicle by which this engagement is proliferated. Children in Crossfire hosted an international Think Tank attended by researchers, policy makers, curriculum advisers, educators and the wider Development Education sector. Other highlights in 2017 included:

- Development of a Compassionate School Award, accredited OCN teacher qualification and in-depth pupil programme and teaching resources
- Training of 135 teachers and 240 Initial Teacher Education students; and
- Engaging over 30,000 students in Educating the Heart Pupil programme.

Through our Public Engagement programme we partnered with other organisations under Ireland's Development Aid programme to build awareness of how sustainable development works through combining public seminars and workshops, using the arts as a means of engaging the public. In so doing we have already reached 26 youth and community groups.

#### **Future Plans**

Building on the enhanced national reputation which Children in Crossfire has attained in Tanzania through its FKW programme, 2018 will see full rollout of programme activities across 4 target districts directly reaching over 10,000 children. At the national level Pre-Primary Education (PPE) has emerged as a government priority and Children in Crossfire is strategically positioned to influence policy priorities in a dynamic political economy.

The evolution to a phased programmatic approach in Ethiopia will initially see over 1,000 pre-school children accessing quality early years' education in Wolisso district concurrent to project work continuing in Addis Hiwot and Wolisso town.

Development Education (DE) and Public Engagement (PE) will continue to expand its service delivery across ROI, with DE focusing on deepening the integration of Educating the Heart across relevant policy areas and PE focusing on building upon the 'niche' potential emerging from the multiplier programme. Our DE programme is expected to impact the teaching and learning of over 40,000 students through directly reaching up to 400 educators, while our PE programme will reach up to 12,000 people to increase understanding of the injustices of poverty, and the role of Children in Crossfire and national and international government bodies in addressing these.



### **Structure, Governance and Management**

#### **Governing Document**

The organisation is a company limited by guarantee incorporated in June 2005 and established under a Memorandum and Articles of Association where the objects and powers of the organisation and its directors are defined. The directors of the company are also charity trustees for the purposes of charity law.

#### **Organisational Structure**

The business of the Charity, which comprises four legal entities in UK, Ireland, USA and Tanzania, is directed by what is effectively the same Board of Trustees. The Board, which meets 4 times per year, aims to have a minimum of 10 members with a variety of experience and skill-sets to help define and implement the strategic direction of the organisation.

The Board is further supported by a number of sub committees comprising both Board and relevant staff representatives which provide a mechanism for more effective governance and input of the Board on executive matters.

#### **Management**

Operational responsibility has been assigned to the Executive Director, appointed by but not a member of the Board, who is supported by a senior team of department managers. The operational business of the organisation is managed through a Country Programme Management Group (CPMG) supported by individual programme Focus Groups. Monitoring and reporting structures have been similarly realigned using Results-Based Management (RBM) tools. Collectively these measures enable a clearer focus on results throughout the organisation and wider understanding of how the organisation works together towards overall Outcomes and Impact.

#### **Statutory and Regulatory Compliance**

CIC are registered in Ireland with both the NI Charity Commission and Charities Regulatory Authority (ROI) and fully comply in meeting all reporting & disclosure requirements. As a registered member, active participant and keen implementer of recommendations from Institute of Fundraising (IOF), Fundraising Regulator, Community Association for Development Action (CADA), Dochas, the Irish Association of Non-Governmental Development Organisations and Northern Ireland Community and Voluntary Association (NICVA) we strongly value and welcome increased accountability and transparency within the sector. Recent poor publicity within the sector has been the catalyst for wide scale review of safeguarding and other policy and practices, including data management through the GDPR directive. Children in Crossfire is wholly committed to effective implementation of all its policies and exceeding its regulatory requirements.

#### **Risk Management**

A comprehensive realignment of risk management to the restructured management of country programmes through Focus Groups has taken place over the course of the last year. While ultimate monitoring responsibility remains with the Board, and will be reported on through the organisational risk register, programme-level risk register responsibility is now devolved to the relevant Focus Groups with assigned individuals leading on individual risk mitigation plans.

Furthermore risk management process has been extended to incorporate on-granting partners. Detailed partner capacity assessments took place in 2017 and these findings have informed capacity-building plans which address those risks identified, thereby directly linking audit to risk.

As such, the overall risk management framework is both more comprehensive and outcome-focused reflecting programmatic, organisational and contextual risks across the entire organisation.

**CHILDREN IN CROSSFIRE**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2018**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and with the Statement of Recommended Practice "Accounting and Reporting by Charities". Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net movement in funds for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of Disclosure Information to Auditor**

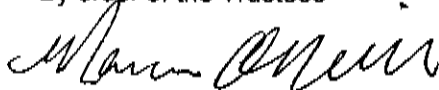
In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditors are unaware; and
- The Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of the information.

**Small company exemption - Companies Act 2006**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the Trustees



**Marcus O'Neill**

**Chairperson**

**Date:** 8/9/2018

## CHILDREN IN CROSSFIRE

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES ON THE FINANCIAL STATEMENTS OF CHILDREN IN CROSSFIRE

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#### Opinion

We have audited the financial statements of Children in Crossfire for the year ended 31st March 2018 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 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.

This report is made solely to the Charity's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's Members those matters which we are required to state to them in an auditor's 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 Members as a body, for our audit work, for this report, or for the opinions we have formed.

#### 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 Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled 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.

#### Conclusion 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 accounts is not appropriate; or
- the Trustees have not disclosed in the accounts 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 accounts are authorised for issue.

#### Other information

The other information comprises the information included in the annual report, other than the accounts and our auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 the our audit of the accounts, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the accounts 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 there is a material misstatement in the accounts or a material misstatement of the other information. 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.

## CHILDREN IN CROSSFIRE

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES ON THE FINANCIAL STATEMENTS OF CHILDREN IN CROSSFIRE

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#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial period for which the accounts are prepared is consistent with the accounts; and
- the Trustees' Report 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 Trustees and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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 of 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 accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 company or to cease operations, or have no realistic alternative but to do so.

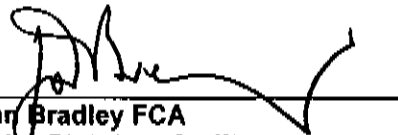
#### Auditors responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors report.

#### 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 regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

  
John Bradley FCA  
Senior Statutory Auditor  
For and on behalf of Moore Stephens (NI) LLP  
Chartered Accountants and Statutory Auditors

21/23 Clarendon Street  
Derry/Londonderry  
BT48 7EP  
Date: 8-9-2018

**CHILDREN IN CROSSFIRE**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2018**

	<u>Note</u>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>					
Donations and legacies		520,854	-	520,854	565,261
Charitable activities		1,205	879,404	880,609	1,279,762
<b>Total income</b>	<b>3</b>	<b>522,059</b>	<b>879,404</b>	<b>1,401,463</b>	<b>1,845,023</b>
<b>Expenditure</b>					
Charitable activities		266,253	1,364,788	1,631,041	1,657,847
Raising Funds		276,983	-	276,983	317,638
<b>Total expenditure</b>	<b>4</b>	<b>543,236</b>	<b>1,364,788</b>	<b>1,908,024</b>	<b>1,975,485</b>
<b>Net movement in funds</b>	<b>5</b>	<b>(21,177)</b>	<b>(485,384)</b>	<b>(506,561)</b>	<b>(130,462)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		192,268	784,183	976,451	1,106,913
<b>Total funds carried forward</b>		<b>171,091</b>	<b>298,799</b>	<b>469,890</b>	<b>976,451</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 12 – 20 form part of these financial statements and should be read in conjunction therewith.


CHILDREN IN CROSSFIRE


BALANCE SHEET  
AS AT 31 MARCH 2018

	<u>Note</u>	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	7		5,411		8,940
<b>Current assets</b>					
Debtors	9	274,312		847,151	
Cash at bank and on hand		229,762		144,677	
		<u>504,074</u>		<u>991,828</u>	
<b>Liabilities</b>					
Amounts falling due within one year	10	<u>(39,595)</u>		<u>(24,317)</u>	
<b>Net current assets</b>			464,479		967,511
<b>Net assets</b>			<u>469,890</u>		<u>976,451</u>
<b>Funds of the charity:</b>					
Unrestricted funds	11		171,091		192,268
Restricted funds	12		<u>298,799</u>		<u>784,183</u>
<b>Total charity funds</b>			<u>469,890</u>		<u>976,451</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Trustees and signed on their behalf by:

  
 \_\_\_\_\_  
 Marcus O'Neill  
 Chairperson

  
 \_\_\_\_\_  
 Don McLeish  
 Trustee

Date: 8/9/2018

Company No. NI 54061

Charity Reference XR 85661

The notes on pages 12 - 20 form part of these financial statements and should be read in conjunction therewith.

## CHILDREN IN CROSSFIRE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 1. Accounting Policies

##### Charity Information

Children In Crossfire is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 2 St Joseph's Avenue, Abercorn Road, Derry~Londonderry, BT48 6TH.

#### 1.1 Accounting convention

The financial statements are prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

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

The accounts have been prepared under the historical cost convention, modified where applicable to include the revaluation of freehold properties and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees on activities that further any of the purposes of the charity, unless the funds have been designated for other purposes.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

#### 1.4 Incoming resources

Income is recognised and included in the statement of financial activities when the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions attached to the items of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Legacies are recognised on receipt or otherwise if the charity has been notified on an impending distribution, the amount is known and the receipt is expected.

## CHILDREN IN CROSSFIRE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of childcare and educational services undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

	% P.A
Office equipment	20
Motor vehicles	25

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net movement in funds for the year.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

#### 1.8 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 of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are 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, where the 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.

##### Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.



## CHILDREN IN CROSSFIRE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Taxation

The company is a charity and is recognised as such by HM Revenue & Customs under the charity tax reference NIC 101412. As a result there is no liability to taxation on any of its income.

#### 2. Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees 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 current and future periods.

CHILDREN IN CROSSFIRE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

3. Income

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
<i>(a) Donations and legacies</i>				
Donations	520,854	-	520,854	565,261
	<u>520,854</u>	<u>-</u>	<u>520,854</u>	<u>565,261</u>
<i>(b) Charitable activities</i>				
Dubai Cares	-	-	-	580,134
Irish Aid	-	515,893	515,893	475,163
GMB	-	-	-	2,000
Apex	-	-	-	13,474
William Cadbury	-	50,000	50,000	-
Other	-	313,511	313,511	207,198
Management Charge	622	-	622	1,393
Bank interest	583	-	583	400
	<u>1,205</u>	<u>879,404</u>	<u>880,609</u>	<u>1,279,762</u>
<b>Total income</b>	<u><b>522,059</b></u>	<u><b>879,404</b></u>	<u><b>1,401,463</b></u>	<u><b>1,845,023</b></u>

CHILDREN IN CROSSFIRE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

4. Expenditure

	Unrestricted Income Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
(a) <i>Charitable activities</i>				
Wages & salaries	210,084	78,583	288,667	253,767
Staff costs & recruitment	3,044	2,583	5,627	5,644
Promotions & publications	808	1,802	2,610	11,584
Rent & rates	-	14,700	14,700	11,025
Insurance	1,607	1,842	3,449	2,382
Heat & Light	-	3,535	3,535	4,613
Cleaning	572	572	1,144	886
Repairs & maintenance	148	1,163	1,311	1,389
Printing, postage & stationery	192	2,994	3,186	3,747
Grants	-	1,189,850	1,189,850	1,207,095
Bank Charges	5,390	-	5,390	6,011
Telephone	9	5,986	5,995	9,063
Computer running costs	3,844	4,021	7,865	7,505
Travelling expenses	10,049	10,750	20,799	33,100
Legal & Professional	14,170	40,698	54,868	75,741
Audit fees	7,800	-	7,800	7,800
Trustees expenses	1,025	3,853	4,878	3,302
Subscriptions & membership	499	632	1,131	1,067
Sundry expenses	1,733	1,224	2,957	6,883
Depreciation	5,279	-	5,279	5,243
	<b>266,253</b>	<b>1,364,788</b>	<b>1,631,041</b>	<b>1,657,847</b>
(b) <i>Raising Funds</i>				
Fundraising expenses	145,853	-	145,853	159,254
Wages and salaries	131,130	-	131,130	158,384
	<b>276,983</b>	<b>-</b>	<b>276,983</b>	<b>317,638</b>
<b>Total resources expended</b>	<b>543,236</b>	<b>1,364,788</b>	<b>1,908,024</b>	<b>1,975,485</b>

## CHILDREN IN CROSSFIRE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

#### 5. Net Movement in Funds

The net movement in funds for the year is stated after charging:

	2018	2017
	£	£
Auditors remuneration	7,800	7,800
Depreciation of tangible fixed assets	5,279	5,243

#### 6. Analysis of staff costs and trustee remuneration and expenses

The average number of persons employed by the charity during the year was:

2018	2017
14	14

The Total Remuneration was:

	2018	2017
	£	£
Wages and Salaries	381,315	378,746
Social Security Costs	34,166	32,353
Pension contributions	4,316	1,052
	419,797	412,151

There were no employees with emoluments in excess of £60,000 (2017 - nil).

The trustees were not paid or received any other benefits from employment with the charity (2017 - £nil). No trustee was reimbursed expenses during the year (2017 - £nil). One trustee received payment for professional or other services supplied to the charity of £1,760. (2017 - £nil).

CHILDREN IN CROSSFIRE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

7. Tangible Fixed Assets	Office Equipment £	Vehicles £	Total £
<b>Cost</b>			
At 1 April 2017	26,478	12,500	38,978
Additions	1,750	-	1,750
At 31 March 2018	<u>28,228</u>	<u>12,500</u>	<u>40,728</u>
<b>Depreciation</b>			
At 1 April 2017	20,663	9,375	30,038
Charge for the period	2,154	3,125	5,279
At 31 March 2018	<u>22,817</u>	<u>12,500</u>	<u>35,317</u>
<b>Net book value</b>			
At 31 March 2018	<u>5,411</u>	-	<u>5,411</u>
At 31 March 2017	<u>5,815</u>	<u>3,125</u>	<u>8,940</u>
<b>8. Financial instruments</b>			
	<b>2018</b>	<b>2017</b>	
	£	£	
<b>Carrying amount of financial assets</b>			
Debt instruments measured at amortised cost	274,312	847,151	
<b>Carrying amount of financial liabilities</b>			
Measured at amortised cost	39,595	24,317	
<b>9. Debtors</b>			
	<b>2018</b>	<b>2017</b>	
	£	£	
Grant debtors	262,674	788,587	
Other debtors	11,638	58,564	
	<u>274,312</u>	<u>847,151</u>	
<b>10. Creditors: amounts falling due within one year</b>			
	<b>2018</b>	<b>2017</b>	
	£	£	
Accruals	39,595	24,317	
	<u>39,595</u>	<u>24,317</u>	

**CHILDREN IN CROSSFIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

<b>11. Unrestricted Funds</b>		<b>Unrestricted Funds</b>	<b>Total 2018</b>
		<b>£</b>	<b>£</b>
At 1 April 2017		192,268	192,268
Incoming Resources		522,059	522,059
Resources Expended		(543,236)	(543,236)
At 31 March 2018		<u>171,091</u>	<u>171,091</u>

<b>12. Restricted Funds</b>	<b>1 April 2017</b>	<b>Incoming Resources</b>	<b>Outgoing Resources</b>	<b>31 March 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Dubai Cares	564,992	-	(564,992)	-
Irish Aid	180,717	515,894	(515,576)	181,035
Other Restricted Grants/ Donations	25,000	363,510	(270,746)	117,764
Apex	13,474	-	(13,474)	-
	<u>784,183</u>	<u>879,404</u>	<u>(1,364,788)</u>	<u>298,799</u>

**Nature of restricted funds**

**Dubai Cares**

Core support for the charity to support pre-primary education programmes in Tanzania, targeting mainly children aged between 5 and 6 in two regions of Tanzania.

**Irish Aid**

Core support for the charity to support pre-primary education programmes in Tanzania, targeting mainly children aged between 3 and 4 in three regions of Tanzania.

**Apex**

This project delivers focus on providing a safe water supply to a village community in the Moshi region of Tanzania.

CHILDREN IN CROSSFIRE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

13. Analysis of Net Assets between funds	Unrestricted Funds General	Restricted Funds £	Total Funds 2018 £
Tangible Fixed Assets	5,411	-	5,411
Current Assets	205,275	298,799	504,074
Current Liabilities	(39,595)	-	(39,595)
	<u>171,091</u>	<u>298,799</u>	<u>469,890</u>

14. Capital Commitments

The charity has not entered into any capital commitments at the year end.

15. Contingent Liabilities

Certain grants received and receivable may become repayable to the funder if the charity is no longer able to meet the conditions under which they were awarded. Due to the nature of these contingencies it may not be possible to quantify the potential financial effect or give an indication of the timing as to the liabilities that may arise.

16. Auditors' Ethical Standards

In common with many businesses of its size and nature the charity uses its auditors to assist with the compilation of the statutory financial statements.