

Charity Registration No. 1011397

THE ROMANIAN CHALLENGE APPEAL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

THE ROMANIAN CHALLENGE APPEAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Nigel. J Squibb Ms Sally. E Solomon Ms Anna Hamlet Mr B Woolford Ms Kyra O'Connor	(Appointed 26 October 2024)
Charity number	1011397	
Principal address	Avon Business Centre 435 Stratford Road Shirley Solihull West Midlands B90 4AA	
Independent Examiner	Jerroms Lumaneri House Blythe Gate Blythe Valley Park Solihull West Midlands B90 8AH	
Bankers	Lloyds TSB Bank plc Lloyds Bank plc 9-11 Poplar Road Solihull West Midlands B91 3AN National Westminster Bank PLC 1 St Philips Place Birmingham West Midlands B3 2PP	

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TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

The Trustees present their report and accounts for the year ended 30 June 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

Objectives and activities

The Charity was founded in 1991 to work towards the relief of poverty and mental or physical sickness amongst people in Romania and in particular the children by all charitable means including the provision of medical assistance and education. It established the independent Romanian humanitarian foundation O Nouă Viață (ONV) in 1997 to work with the Romanian state and has strong representation on its management committee. RCA has for many years had the goal of supporting and guiding the work of ONV, rather than direct intervention by a foreign charitable organisation, and since the early 2000s, all funds raised by RCA have been donated to ONV. Just as it was last year the war in the Ukraine has had a significant impact on the charity's work in the Siret area. The charity ceased fundraising within the UK in 2015. It now manages regular donors and legacy income, and provides practical assistance (non financial) to regular donors who wish to travel to Romania to see the effects of their donations. It continues support of ONV as funding is available, as due to ONV's geographical location with Romania - physically extremely close to the Ukraine - it is proving very difficult to fundraise within the country at the moment. We will operate within the UK for the lowest possible cost. We will continue promoting the goals set out in 1991 when the charity was formed. The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Plans for Next Year 2025 - 2026

To:

We will continue support of ONV as funding is available, primarily as support of more speculative activities (e.g fundraising events in Romania) together with on-going mentoring members of the ONV committee, who have similar responsibilities to charity trustees in the UK. We will continue working on fundraising strategies and campaigns with ONV. We will operate within the UK for the lowest possible cost. We will continue promoting the goals set out in 1991 when the charity was formed. The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

The past year has been the first year of operation of the slimmed down ONV in Romania, and in general has been very positive. The use of volunteers in the day centre is working well, and the administration overhead has not proved too onerous, although the workload in maintaining the social services accreditation is extremely high, and the need for having accredited services in the absence of direct state support is under active discussion. A few adjustments have been made, and better cover for holiday periods arranged. ONV has funds in hand, together with investments, and can continue at its present level of activity for the foreseeable future. Income received from the Charity will provide funding to ONV for additional non-budgeted activities, such as days out, vacations etc.

THE ROMANIAN CHALLENGE APPEAL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

Financial review

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between six and 12 month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. The Trustees have the powers to invest as they see fit and they also have the power to appoint investment managers. At the present time there are no investments held by or on behalf of the Charity.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was established by a charitable trust deed dated 22 May 1992.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr Nigel. J Squibb

Ms Sally. E Solomon

Ms Anna Hamlet

Mr B Woolford

Ms Kyra O'Connor

(Appointed 26 October 2024)

Recruitment and appointing of new Trustees is governed by a policy laid down by the Trustees and is available for inspection.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to 9 day's purchases, based on the average daily amount invoiced by suppliers during the year.

The Trustees' report was approved by the Board of Trustees.

Mr Nigel. J Squibb

Trustee

Dated: 23 September 2025

THE ROMANIAN CHALLENGE APPEAL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ROMANIAN CHALLENGE APPEAL

We report on the accounts of the Charity for the year ended 30 June 2025, which are set out on pages 5 to 12.

Respective responsibilities of Trustees and examiner

The Charity's Trustees are responsible for the preparation of the financial statements. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is our responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with our examination, no matter has come to our attention:

- (a) which gives us reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jerroms

Chartered Certified Accountants
Lumaneri House
Blythe Gate
Blythe Valley Park
Solihull
West Midlands
B90 8AH

Dated: 23 September 2025

THE ROMANIAN CHALLENGE APPEAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income and endowments from:			
Donations and legacies	3	32,009	16,179
Investments	4	68	92
Other income	5	2,428	3,009
Total income		34,505	19,280
Expenditure on:			
Charitable activities	6	22,442	18,779
Total expenditure		22,442	18,779
Net income and movement in funds		12,063	501
Reconciliation of funds:			
Fund balances at 1 July 2024		74,624	74,123
Fund balances at 30 June 2025		86,687	74,624

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE ROMANIAN CHALLENGE APPEAL

BALANCE SHEET

AS AT 30 JUNE 2025

	Notes	2025 £	£	2024 £	£
Current assets					
Debtors	10	2,625		3,188	
Cash at bank and in hand		85,963		73,336	
		<u>88,588</u>		<u>76,524</u>	
Creditors: amounts falling due within one year	11	(1,901)		(1,900)	
Net current assets			86,687		74,624
			<u>86,687</u>		<u>74,624</u>
The funds of the Charity					
Unrestricted funds	12		86,687		74,624
			<u>86,687</u>		<u>74,624</u>

The financial statements were approved by the Trustees on 23 September 2025

Mr Nigel. J Squibb
Trustee

THE ROMANIAN CHALLENGE APPEAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

Charity information

The Romanian Challenge Appeal is an unincorporated charity. Its principal address is Avon House, 435 Stratford Road, Shirley, Solihull, West Midlands, B90 4AA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and 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 financial statements, 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 financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies to which the charity is entitled are included in the statement of financial activities unless they are incapable of measurement.

THE ROMANIAN CHALLENGE APPEAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

(Continued)

1.5 Resources expended

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

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 is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33% straight line
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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 the statement of financial activities.

1.7 Cash and cash equivalents

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

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.

THE ROMANIAN CHALLENGE APPEAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

(Continued)

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 payments 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.9 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

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.

3 Donations and legacies

	2025	2024
	£	£
Donations and gifts	23,990	7,275
Sponsor funds	8,019	8,904
	<u>32,009</u>	<u>16,179</u>

THE ROMANIAN CHALLENGE APPEAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	68	92

5 Other income

	2025 £	2024 £
Gift Aid	2,428	3,009

6 Charitable activities

	2025 £	2024 £
Insurance	244	215
Donations to O'Noua Viata	12,720	8,721
Travelling	1,018	1,323
Office assistant	1,800	1,800
Bookkeeping expense	3,600	3,600
Accountancy	1,656	1,500
Office and stationery	690	581
Rent and rates	795	792
Exchange rate loss/(gain)	(81)	135
Computer expenses	-	34
	22,442	18,779
	22,442	18,779

Payments to O'Noua Viata (a charitable foundation, established in Romania) consists of general charitable purposes costs.

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

8 Employees

There were no employees during the year.

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

10 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Other debtors	2,428	3,009
Prepayments and accrued income	197	179
	<u>2,625</u>	<u>3,188</u>

11 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	450	450
Accruals and deferred income	1,451	1,450
	<u>1,901</u>	<u>1,900</u>

12 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 July 2024 £	Incoming resources £	Resources expended £	At 30 June 2025 £
General funds	74,624	34,505	(22,442)	86,687
	<u>74,624</u>	<u>34,505</u>	<u>(22,442)</u>	<u>86,687</u>
Previous year:	At 1 July 2023	Incoming resources £	Resources expended £	At 30 June 2024 £
General funds	74,123	19,280	(18,779)	74,624
	<u>74,123</u>	<u>19,280</u>	<u>(18,779)</u>	<u>74,624</u>

13 Control

There is no ultimate controlling party.

THE ROMANIAN CHALLENGE APPEAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

14 Related party transactions

Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

Romanian Challenge Appeal has set up a Romanian charity called O Noua Viata (A NEW LIFE) and now work closely with local government and the Romanian Child Protection Department. The aim is to provide training to local Romanians to run O Noua Viata and organising fundings from within Romania so that one day the charity will run independently of international aid. During the year £12,720 (2024 - £8,721) was spent on general charitable purposes for O Noua Viata.