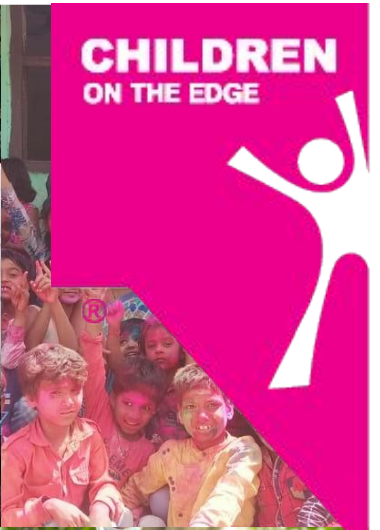




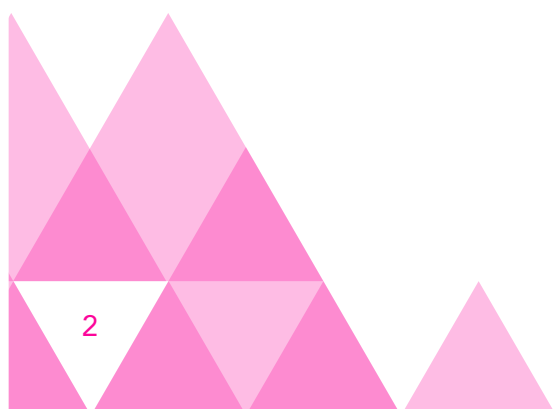
HARDEST HIT

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR CHILDREN ON THE EDGE
FOR THE YEAR ENDING 28 FEBRUARY 2021



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HARDEST HIT

Children on the Edge works in coalition with local communities in some of the toughest places in the world, transforming the lives of marginalised children by creating protective environments where they can safely live, play, learn and grow.

It will come as no surprise that this year's major focus has been responding to the coronavirus pandemic and its devastating effects in every area where we work. Described as a crisis without borders, in many ways events have unified the globe in dealing with a common threat, but in reality, the impact of the virus continues to be starkly disproportionate.

While most children from higher income countries logged into zoom lessons as their parents worked from home, every child we support has been cut off from education and vital services whilst facing the resulting rise of abuse and exploitation. Thousands of the families we work with still lack the opportunity of 'social distancing' and, rarely considered in sweeping lockdown measures, have been sharply cut off from food, income and protection. This is not a crisis without borders. They are the hardest hit.

Children on the Edge works closely with the people and places that have the most impact on the child: the family, classroom, community and society. At every level, we engage with and actively involve the whole community to jointly create a protective environment where each child can thrive. Thanks to the unwavering support of our donors this year, we have been able to continue to do just this.

Our partners have responded to an unparalleled situation with the utmost agility and ingenuity.

They worked around restrictions to deliver over 12,500 food parcels to severely affected households and saw how initiatives like microloans, savings groups and Child Protection Teams enabled thousands of households to withstand the worst circumstances.

Pandemic or not, the children we work with face continual barriers to learning, so for us, this was just the next set of obstacles. More than 16,000 children were reconnected to quality education and support. This took the form of radio lessons, phone lessons, lessons under trees, in tents, in teachers homes and in student's homes.

Backpacks were stuffed with colourful learning materials and carried to children in the most remote mountain areas. School bus drivers turned into delivery drivers, dropping hundreds of lesson packs to the doorways of refugee tents.

When children are free to realise their rights, they are free to thrive. This year the children we support have led the way in their communities, identifying the most vulnerable households for support, educating peers on the increased threat of trafficking, conducting surveys on domestic violence, running community handwashing workshops and making videos about preventing the spread of the virus.

These examples are just the tip of the iceberg, and we hope that as you read through the following pages you will be as inspired as we have by what the children and communities that we work with have achieved over the last 12 months. In a year that has brought the whole world to a standstill they have been the hardest hit, but they have kept going, and continued to transform their situations through a gritty, determined, can-do kind of hope.

We want to thank each and every one of our supporters for your generosity and your solidarity with us and with these communities this year.



Rachel Bentley
CEO & Founder



Stuart Gallimore
Chair of Trustees



In Bihar State, deep rooted caste discrimination against the 'untouchable' Dalit minority causes children to be ostracised from education and denied their rights. Societal exclusion has trapped slum communities in and around Patna in a cycle of poverty and low self-esteem. The last year has been one of the most difficult periods so far for those involved in the programme as lockdown has crippled earning potential and caused starvation and insecurity.

A few hours north, on the border of Nepal, Dalit children are trapped in brothel communities with no opportunity for education, with the situation compounded further with the pandemic.

PARTNERS

Parivartan Kendra (PK) and Navjeevan Educational and Social Welfare Society Digha (NESWSD) in Patna. Tatvasi Samaj Nyas (TSN) on the Nepal border.

OBJECTIVES

- Counter caste discrimination and enable integration to mainstream school through the provision of supplementary education and support.
- Develop life skills, rights awareness, self expression, gender equality and confidence in Dalit children.
- Support Dalit communities to advocate for equality and sustainable livelihoods through non-violent action.
- Pave the way for Dalit children on the border of Nepal to find a life beyond the confines of the red light district.

ACTIVITIES

7,420 emergency food parcels provided to struggling households during lockdown, and extensive campaigns on handwashing and the prevention of virus spread carried out in programme areas.

31 teachers in 31 learning centres (four newly built this year) provided education for 971 children through creative means.

Three new NIOS (National Institute of Open Schooling) centres were established giving the chance for children to take formal Grade 8, 10 and 12 exams and access college or university in the future.

10 Child Parliaments taught 410 children about their rights, mentored them via Whatsapp through the pandemic and supported them to advocate with their peers and communities.

80 Women's Groups trained to realise their rights, as well as saving and small business loans, parenting and preventing domestic abuse, child marriage and trafficking.

Facilitated extensive trafficking and child marriage prevention work through classroom training, local events, Child Parliaments and Women's Groups.

A rich variety of socially distanced celebrations and competitions continued this year for hundreds of children and local community members.

Supported two education centres for children on the Nepal border, in one of Bihar's most renowned red light areas, providing tailoring lessons for 16 adolescent girls and basic education for 63 children.

ACHIEVEMENTS AND PERFORMANCE

The education programme pivoted quickly and effectively to the delivery of small batch lessons throughout lockdown, enabling over 900 children to continue to learn and perform well in their end of year exams.

In addition to hundreds of local people being linked to health support, there were 324 successful applications for ration cards for returning migrant workers and local families, enabling government assistance through lockdown.

Women's Groups directly increased the resilience of nearly 1,000 families throughout lockdown, inspiring 490 new membership applications from friends and neighbours.

Child Parliaments grew in confidence, taking the lead in identifying vulnerable households for support, directly tackling rising domestic abuse, training communities on hygiene and handwashing and advocating with local authorities.

30 children passed the eligibility test for the National Institute of Open Schooling and 60 were admitted to mainstream school.

As a result of widespread research, campaigning and tracking of trafficking cases through a new helpline, there has been a direct increase in community vigilance.

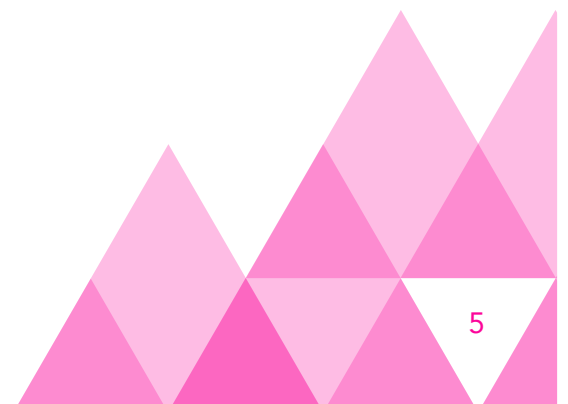
FUTURE PLANS

- Continue to support the activism work in both urban and rural areas of Patna.
- Develop monitoring and evaluation processes using digital tools.
- Further develop digital education components in existing schools.

Provide relief supplies to families affected by coronavirus.

"With the utmost resilience shown by our project staff and the community; we have been able to cover most portions of the planned syllabus in this reporting period. The conduct of classes was difficult and sometimes even impossible, yet with the cooperation of the teachers we were able to devise strategies to ensure regular learning by the children".

Renji, Programme Manager





Since 2009 we have been working to provide education and support to Rohingya refugee and slum dwelling children in Bangladesh. In Kutupalong refugee camp, children have little access to learning and are denied a curriculum in their own language. Many Rohingya have moved away from the crowded border area to 'enclave communities' where children are cut off from basic services, and slum dwelling children in Cox's Bazar also face financial and practical barriers to attending school.

All these children are in danger of growing up without education, and this year, barriers increased further through repeated lockdowns, which not only prevented children from attending school, but stopped many of their parents from earning.

PARTNERS: Mukti - Cox's Bazar

OBJECTIVES

8,900 Rohingya refugee and Bangladeshi slum dwelling children access relevant primary education, gaining vital knowledge and skills, improving their everyday lives and future opportunities. This includes:

- The provision of 178 child friendly, colourful and creative classrooms with trained teachers.
- Access to genuine learning enabled through the breaking down of language barriers.
- The opportunity to express themselves, grow in confidence, have their voices heard and connect beyond the confines of their challenging environments.
- Improved access to basic health knowledge and care.
- Participation in the running of the programme along with parents and communities.

ACTIVITIES

Distributed emergency food packages to 3,000 households struggling under lockdown.

Pivoted all learning to home and community batch lessons for 8,900 students.

Constructed a four-classroom learning centre for 200 children in Najirar Tek, Cox's Bazar.

Maintained 178 classrooms through lockdown, planting 1,000 saplings in Kutupalong and ensuring all buildings, staff and students were prepared for covid-safe re-opening.

Teachers received training on Protection from Sexual Exploitation and Abuse (PSEA) to counter the rise of domestic abuse and trafficking over lockdown.

We recruited two new staff for our digital team who set up an additional greenscreen studio in Kutupalong, produced a year's worth of lessons and created vital coronavirus awareness films.

The children's online communication platform 'Moja Kids' was set up with their own website, they helped to create videos about proper hand washing in the camps and we have taken the first steps in making connections with children in other countries.

ACHIEVEMENTS AND PERFORMANCE

We had 98% attendance at our small batch lessons, which enabled thousands of children to reconnect with education and allowed teachers to check on their safety and wellbeing during lockdown. Of those interviewed,

- 92% of children think their current learning will help them have a better life when they're older.
- 92% of children are happy to put up their hand in class, showing confidence.
- 100% of teachers and parents reported a positive change in the children.
- 81% of children teach friends and family what they learn in school.

70% of parents said they have acted to make changes at their children's schools, reflecting strong community ownership.

Interviews reflect how the awareness videos and teacher input have helped to dispel myths about the coronavirus.

112 children in Cox's Bazar received their PECE certificates (Primary School Certificate Exams).

In 2020's AbilityNet Tech4Good awards, our digital education programme was chosen for the Lenovo Education Award, recognising outstanding digital achievement in education.

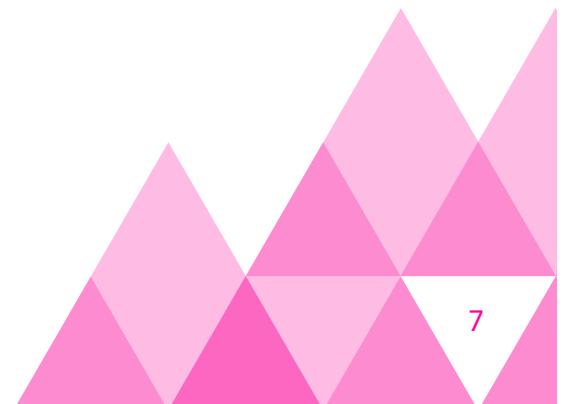
Developed our Monitoring and Evaluation programme introducing in-depth Focus Group Discussions, panel design and digital data collection.

FUTURE PLANS

- Fully re-establish the programme after lockdown.
- Full implementation of digital education curriculum and the development of monitoring and evaluation to assess its impact.
- Children living in challenging environments in other countries join the Moja Kids platform, exchanging their own digital content.
- Build on and develop strong community ownership as the people see the growing benefits of their involvement.

"We thought that the coronavirus was a round animal which enters the human body and kills people, so we were very scared when we saw signs of the virus. But we found out through our madam [teacher] that it is not an animal, it is a virus."

Children's feedback from Kutupalong





MYANMAR

Due to years of civil conflict in Kachin State in Myanmar, over 100,000 internally displaced people remain trapped in remote mountain camps, facing increasingly desperate conditions. Displaced children under the age of six have known little else but war and its resulting trauma. Whilst there is some primary education in these camps, there is no early years provision, at a crucial time in their development.

Problems associated with coronavirus lockdown this year have been exacerbated by near-total restrictions on aid in rebel-controlled areas, where clean water and sanitation is inadequate and there are little to no health services. After February's coup by the Myanmar military those we support have remained safe, but with intermittent internet blackouts and a banking freeze, contact and progress has been even more of a challenge.

PARTNERS - Kachin Development Group (KDG) and Kachin Women's Association (KWA)

OBJECTIVES

- Ensure stability for young children living in a conflict environment and recovery from trauma, enabling them to enjoy being children in a vibrant, safe place each day.
- Provide access to quality early learning, preparing children for transition to existing primary schools.
- Support parents and community members in their care of children and encourage them to contribute to management of the centres, ensuring long-term sustainability.
- Develop the strength, knowledge and agility of our partners in dealing with arising issues.

ACTIVITIES

The 15 Early Childhood Development (ECD) centres we support in 9 internally displaced people's (IDP) camps were routinely closed due to coronavirus, so we:

- Provided backpacks for 65 teachers to travel to children's homes to deliver colourful playing and learning kits.
- Developed a home learning programme and training plans for parents with regular coaching from teachers.

Supported 104 ECD Committee members with training and advice.

Resourced all 15 centres with new play materials ready for re-opening.

Facilitated bi-monthly parenting workshops for 29 parents.

Provided raincoats and wellington boots for 440 children to help them manage in the seasonal, torrential rain and mud.

Delivered warm winter clothes for 412 children to protect them from the cold.

Provided 32 teachers with a five-day refresher training course to keep them motivated and ensure their knowledge and practice is up to date.

Began to create a set of Early Childhood Development operational guidelines with consideration for the local context and situation.

Programme staff used lockdown time to study child development, child rights, parenting, how to respond to coronavirus and critical thinking for early years teachers.

ACHIEVEMENTS AND PERFORMANCE

Adapting early learning programmes in the most remote conditions has been an incredible feat from staff, teachers and parents who ensured that all the children have been able to continue learning, playing and developing through lockdown.

Community ownership has been maintained with parents and ECD Committees continuing to help with renovations and the creation of indoor and outdoor supplies where possible.

Facilitators observed that parents' attitudes towards their children gradually changed for the better throughout the months that they engaged with the parenting course.

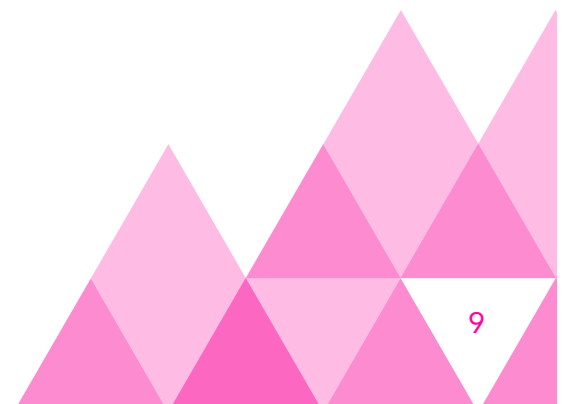
The staff's extra study through lockdown improved their self-confidence and motivation during consequent monitoring trips where they shared what they had learned and provided more informed feedback for teachers.

Pre lockdown mobile phone training meant that teachers and programme staff managed to maintain regular contact throughout restrictions even in the several areas that remain completely inaccessible.

FUTURE PLANS

- Create awareness and increase funding for the support of the Kachin people.
- Provide relief supplies to families affected by the conflict as able, especially warm clothing for children during the cold winter months.
- Improve centre facilities and replenish supplies which have been neglected due to the conflict.
- Support new IDPs coming to the camps or those wishing to return to their home communities.

"I am not happy when I stay at home. I have no friends at home. I am really happy when I go to school that I can play, sleep, eat when I get up, and do singing, painting and watching cartoon movies."
5 year old Tangbau Brang San





UGANDA (SLUM COMMUNITIES)

In the slum communities surrounding Jinja, dwellers face poor sanitation, low employment and high crime rates. The majority of households struggle to access education for their children, often experiencing a disconnection from local services and a lack of awareness regarding effective child protection. In short, many children are at risk of abuse, neglect and exploitation. These issues were further compounded this year by repeated lockdowns; shutting down schools, government services and cutting households off from earning opportunities.

PARTNERS - Children on the Edge Africa

OBJECTIVES

At a local level - Support five slum communities to create protective environments for their children, through voluntary Child Protection Teams who work in each area to develop:

- Child protection training and the creation of a safe environment.
- Improved relationships between communities and service providers.
- Economic stability for struggling households.
- Access to education for children.

On a national level - Address gaps in legislation regarding child sacrifice.

ACTIVITIES

Continued to support, train and resource Child Protection Teams in five slum communities.

Delivered fortnightly food parcels for 100 elderly-headed households struggling under lockdown.

In response to the rise in domestic violence over lockdown, Child Protection Teams received extra training, community workshops were held for over 800 people and counselling provided for victims.

Child Protection Teams increased door to door sensitisation work and case follow ups as government support systems ceased under lockdown putting children at risk.

Three Child Rights Clubs were given ongoing support, trained in child rights, advocacy and how to protect themselves from the virus.

Small business loans were provided for 79 struggling households and extra support given as enterprises were hit by lockdown.

Our early years learning programme pivoted from the two Early Childhood Development (ECD) centres we support to doorstep lessons and wellbeing check-ins from teachers, termly home learning packs delivered for 180 children and training for parents.

We continued campaigning to pass The Prevention and Prohibition of Human Sacrifice Bill 2020 along with partner organisations.

ACHIEVEMENTS AND PERFORMANCE

91% of parents reported children worked well in home lessons and they were pleased with their progress, including positive changes like improved handwriting, reading, counting, matching and drawing. By the second term parents were trained in conducting lessons themselves and 80% of children fully completed their work.

Attendance at regular community workshops more than doubled in Loco, Masese I and Wandago and Child Protection Team training attendance across all areas increased from 79% to 98%.

This year's 'Most Significant Change' evaluation reflected transformations in peoples' parenting, their businesses and their ability to save. People also talked about wider community transformation in hygiene and sanitation and the combating of domestic abuse.

93% of small business loan participants say they can now feed their children twice a day and by January 2021, 80% of this year's loans had been fully recovered. Savings groups are reflecting success by taking on bigger development projects like housing.

Child Rights Club members grew in confidence this year and have worked effectively both with their Child Protection Teams and with each other, referring many child protection cases and advocating widely with their peers and the wider community on child protection issues.

The Prevention and Prohibition of Human Sacrifice Bill had the certificate of financial implications endorsed by August 2020 and reached first reading.

FUTURE PLANS

- Maintain support for current Child Protection Teams and replicate an adaptation of our Child Protection Team model in key areas around Uganda, engaging with local government structures.
- Prepare for re-opening of ECD centres and develop elements of digital learning, monitoring and evaluation.
- Continue to develop Child Rights Clubs and if capacity allows, formulate plans to replicate in further communities.
- Maintain support for education loans and savings groups.

Support the final stages of the passing of The Prevention and Prohibition of Human Sacrifice Bill.

"People also used to fight a lot, men used to drink recklessly and would resort to beating their spouses and children. When Children on the Edge Africa came, they taught us how to live harmoniously, and about children's rights and other human rights. We started inviting both men and women to the community workshops, and people in the community learnt that domestic violence interrupts the rights of children".

Kasoybia Aisha
- Masese II



UGANDA (KYAKA II REFUGEE CAMP)

Escalation of conflict in the Democratic Republic of Congo, has resulted in a continuous refugee influx over the last four years and Uganda currently hosts more than 1.4 million displaced people.

Across 30 communities in Kyaka II refugee settlement, parents have been trying their best to provide early learning for their youngest children, but most of the buildings they use are dilapidated and many teachers were untrained. Thousands of 3-6 year olds have nowhere safe to go during the day and are missing out on education and support at this crucial stage of their development.

PARTNERS - Children on the Edge Africa and LILE INAM ECD Consultancy

OBJECTIVES

- Ensure the healthy development and wellbeing of over 5,000 young Congolese refugee children, helping them to improve their mental and physical wellbeing, express themselves, process any trauma, play and enjoy being children.

- Provide them with child-friendly early learning using the national ECD Framework, imparting critical numeracy, literacy and social skills that will help them in the future.
- Support community structures to take ownership of the programme through the development of Centre Management Committees (CMCs).
- Renovate 30 venues into bright, colourful centres.
- Train 180 local refugees to teach and gain accredited qualifications.
- Generate additional, sustainable income for teachers through small business loans.

ACTIVITIES

Provided 4,500 children with home learning packs in response to the closure of Early Childhood Development (ECD) centres during the coronavirus lockdown and ensured teacher visits to support parents and check on children's safety and wellbeing.

Facilitated the airing of early learning lessons five days a week on local radio throughout all 30 zones where we work, distributing 200 solar powered radios for households with no access.

Delivered two rounds of supply parcels to 188 elderly-headed households struggling through lockdown.

Continued covid-safe teacher training for 90 teachers through the use of self study and peer cluster groups, with 34 sitting university exams in early 2021.

Recruited an additional 90 teachers for the development of a new cluster learning programme.

Partnered with Haileybury Youth Trust in the building of four new Early Childhood Development centres using sustainable methods, training 16 refugee apprentices in construction and handing the newly built venues back to the communities. Building has already commenced at six new sites with 16 newly recruited apprentices.

Facilitated Centre Management Committee (CMC) meetings and provided intensive training for 294 members on the core concepts around Early Childhood Development (ECD), child rights, gender responsiveness and child abuse.

Provided 28 small business loans for teachers to generate independent sustainable incomes.

Organised child protection training for 70 key participants in the Early Childhood Development programme.

PERFORMANCE AND ACHIEVEMENT

93% of children said they enjoyed listening to the radio lessons and 100% of parents felt it was beneficial for the children during lockdown.

There are now fully functioning, trained and engaged Centre Management Committees at each one of the 30 centres we support.

The 28 small business loans given out to teachers through lockdown proved to be a great success and 26 have been paid back.

The four new centres were completed successfully in spite of coronavirus restrictions, in conjunction with local communities who are thrilled to have a colourful airy space for children to learn.

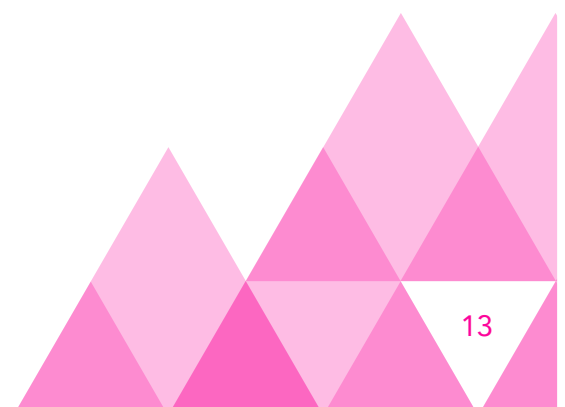
16 refugee apprentices achieved their certificates, with some going on to find immediate employment.

Finding creative ways to provide education through lockdown led to the formulation of a pilot cluster group model, where small groups of children learn in safe spaces in the community, allowing us to meet the educational needs of hundreds of additional children that cannot be served by a small number of buildings.

FUTURE PLANS

- Construct the next ten (out of 14 planned) Early Childhood Development centres, including latrines and water harvesting.
- Through continued teacher training, the development of small business loans for teachers and the resourcing of Centre Management Committees, support all 30 communities to become more self-sufficient in the management of their centres, leading to independent community owned ECD provision.

Develop digital learning in the centres and scale up the new cluster learning programme throughout the 10 zone pilot area to all 30 communities, training the new teachers and utilising tablets as a teaching resource.





Lebanon not only hosts an estimated 1.5 million Syrian refugees, but is now facing its worst economic crisis in modern history and the consequences are becoming increasingly serious. In August 2020 the capital of Beirut suffered a devastating chemical explosion and the coronavirus pandemic and its resulting lockdowns have put further pressure on a society where currently 50% of citizens are living in poverty.

In the midst of this, Syrian refugee children living in the informal settlements of Bekaa Valley continue to face barriers to education and support. Their families have been under increasing pressure to return home, despite Syria's shattered infrastructure, desperate economy and the risk of conscription and random arrests.

PARTNERS - TRIUMPHANT MERCY

OBJECTIVES

- Bridge the education gap for Syrian refugee children and prepare them for the future by ensuring quality education, with trained teachers from their own community.
- Enable refugee children to feel safe and secure despite the volatile situation, and begin to recover from the trauma of war.
- Provide Syrian refugees with valuable teaching skills, ownership of education provision and an income for their families.
- Provide vocational training and IT skills to resource children for a potential return to Syria.

ACTIVITIES

Supported our partners to deliver food for over 1,000 families struggling through lockdown.

Provided quality education for 211 Syrian children. With repeated lockdowns this year education took the form of:

- Shift system learning at the school we support in Zahle.
- Home based learning in the camps with homework packs delivered by school bus drivers and regular teacher visits.

- Online and mobile phone lessons.

Conducted summer and mid term exams for students and supported 13 Grade 9 students to cross the border to Syria for their high school exams.

Built a new computer room, installed 20 computers, trained teachers in IT and restarted classes in July for 180 students.

Facilitated summer catch up programme for 200 children with crafts, sport, dance and a headstart on their vocational subjects.

From September 2020, delivered vocational sewing and carpentry lessons for 160 students and sports sessions (on a newly tarmacked play space) for 180 students.

Started a new 'Shine for Girls' programme for girls aged 12 -14 to develop their self esteem and confidence.

Contributed to the work of our partners in the aftermath of the Beirut blast, providing emergency supplies to 750 affected families and repairs to 520 damaged homes.

ACHIEVEMENTS AND PERFORMANCE

All 13 Grade 9 students passed their high school exams in Syria and three made the prestigious honours list.

140 other students were able to take Arabic, Maths and English exams in August. 85% passed, which is exceptional considering all the challenges they have faced.

100% of children interviewed said that they always enjoy school and also describe using what they have learned outside of school in positive ways.

As a reflection of confidence, 81% of children also felt it was likely or 'very likely' that they could get jobs in their chosen professions.

Parents described how their home environments have become calmer and more positive as a result of the school improving the self esteem and happiness of their children.

Syrian refugee teachers noted how taking on this role has not only given them practical skills, but confidence, purpose, pride, social status, independence and an improved financial situation.

FUTURE PLANS

- Continue to support the school in Zahle and focus on preparing children for transition to mainstream education or a return to Syria.
- Open two new classes, one for reception-age children and a second for children around 10 years old, who have thus far missed out on an education.
- Continue to develop vocational training for the older children at school, with evening classes for teenagers, adult Syrian refugees and local Lebanese people.

Further equip our partners with resources to expand and diversify their own fundraising, enabling them to sustain the programme.

"At the beginning the children asked "What future"? We're in a camp, we can't do anything, but now after lessons they have a sense of identity and hope for the future." -

Anon Syrian refugee teacher

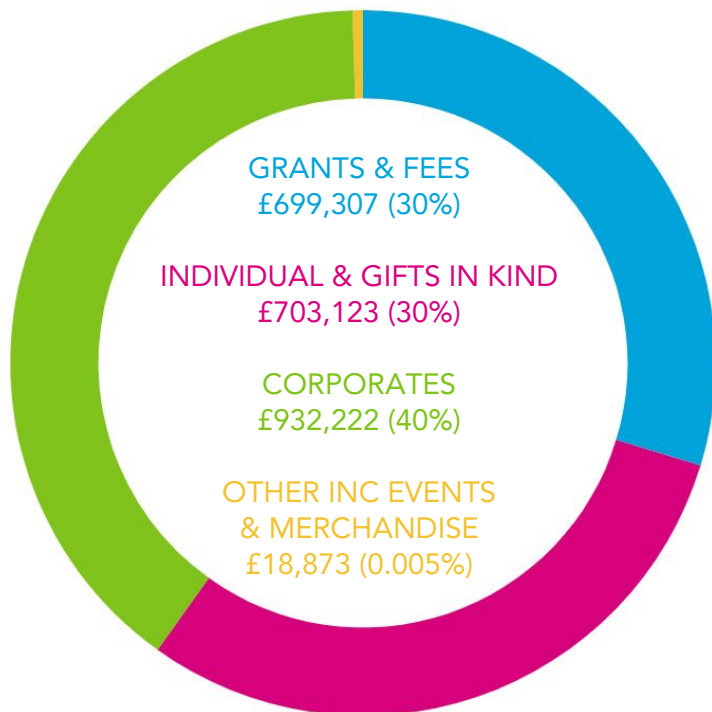


“I feel my children have not lost anything during coronavirus because we have been listening to the ECD radio programme on a daily basis.”

Butoto - Parent from Buliti A, Kyaka II, Uganda

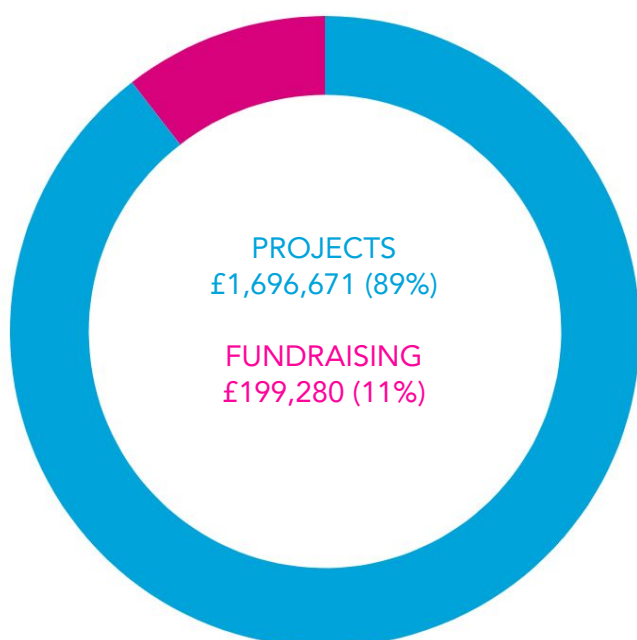
FINANCE

INCOME BREAKDOWN



TOTAL INCOME: £2,353,525

EXPENDITURE SPLIT:



TOTAL EXPENDITURE: £1,895,951

Children on the Edge is in a strong position to serve the needs of the most marginalised and vulnerable children around the world despite the ongoing challenges created by the COVID pandemic.

This is only possible because of the ongoing generosity of supporters, from one-off donors to those who give every month, businesses of all sizes, trusts and institutional funders as well as those who give their time whether in the office (when allowed) or at events of any kind. We deeply appreciate every single one of you. Thank you.

INCOME

Our donors responded with huge generosity to the increased need created by the COVID pandemic. We grew our income by just over 5% on the previous year to £2,353,525 which enabled us to maintain programmes and respond directly to the needs of the crisis.

We maintained a broad base of support thus ensuring the stability of the organisation.

EXPENDITURE

Overall programme spending has increased by over just over 30% to £1,895,951. This is due to a number of factors:

- During the COVID pandemic we maintained 100% spending on overseas staff salaries.
- Some small savings were made on programme running costs but were negated by increased spending on our COVID response to either create new learning opportunities or to respond to the immediate needs of the crisis.
- Spending in Lebanon increased due to the grant from the People's Postcode Lottery.

FINANCE

RESTRICTED FUNDS

As a result of the increase in expenditure, as previously forecast, the restricted funds balance has reduced from £914,897 to £632,880.

We currently hold restricted balances for our work in Bangladesh, Lebanon and Kachin State, Myanmar and India. The largest of these restrictions applies to our work with the Rohingya in Bangladesh (balance of £361,206) which is also our largest programme.

We do not foresee any problems in reducing these to zero over the coming years.

RESERVES POLICY

Reserves are required to ensure the continued smooth operation of the charity, to cope with any unexpected eventualities and to enable any one off expenditure that is deemed appropriate for the charity.

The trustees have agreed that in addition to any designated funds the free reserve balance should ideally be no more than 25% of the coming year's forecast expenditure. The current level of free reserves is 5% of the 2021-2022 forecast expenditure and therefore at an acceptable level.

FUND BALANCES AS OF 28/02/2021

Restricted Funds: £632,880
Designated Funds: £1,555,006
Free Reserves: £108,396
Total Funds: £2,296,282

DESIGNATED FUNDS

We continue to designate funds to programme locations and the UK office to maintain the sustainability of and commitment to programmes. The level of designation considers any restricted balance, the volatility of a situation and potential funding sources. Generally designations are between 3 and 9 months of the forecast annual expenditure.

The COVID-19 crisis has increased the volatility of all programme locations and funding sources therefore, before considering restricted balances, we have designated 9 months of forecast costs to each location to help ensure project sustainability.

INVESTMENT POLICY AND OBJECTIVES

In 2020-2021 the charity achieved an income of £2,269 from its deposit account interest.

In general, any fund balances are kept in instant access accounts so that they are always available to be utilised should the need arise.

When balances allow, or where funds are restricted to specific projects, it may be necessary to hold them for longer periods of time. In these cases, the management and trustees of Children on the Edge may decide to invest a portion of these funds.

When investing funds, risks will be considered and minimised in all circumstances. Typically funds are invested in fixed year bonds in banks protected under the Financial Services Compensation Scheme (FSCS).

We will not invest in companies or funds that operate in the Tobacco, Armaments or Pornographic Industry and will always look to invest in socially responsible investments.

FUNDRAISING

Our objective for 2020 / 2021 was to raise £1,988,727 across a diverse base of funding.

PRINCIPLE FUNDING SOURCES

- 30% from Individuals and Gifts in Kind
 - 40% from Corporates
 - 30% from Grants and Fees
- Plus nominal income from other sources.

- Despite a challenging year of pivoting our fundraising around COVID-19 restrictions we exceeded our expected income.
- We maintained a broad base of funding as planned.
- We increased donations from individuals, regular giving and through running several appeals including The Big Give campaign.
- We increased donations through corporate partnerships, due to a second year of extraordinary growth from The Body Shop at Home TM.

OUR APPROACH TO FUNDRAISING

Our fundraising team works to raise funds in a number of different ways; engaging individual donors, soliciting gifts from foundations and trusts, a growing regular giving scheme, strategic corporate partnerships as well as community fundraising and challenge events.

We do not engage the services of 'professional fundraising' businesses; all our fundraising activity is delivered by our own fundraising team. We do work with commercial participators; when doing so conducting due diligence and reviewing agreements annually.

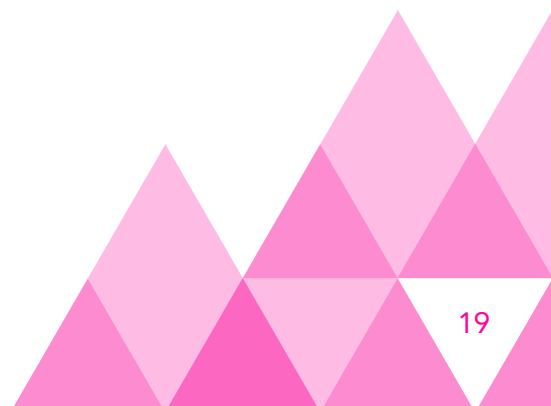
We are registered with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. All fundraising staff receive training relating to the Code of Practice during induction, and relevant implementation policies (eg Finance policy, Fundraising Complaints policy) are reviewed each year with the fundraising team. Any areas of concern regarding compliance are raised with the COO and the trustees.

In the year 2020/2021 we received one minor complaint; relating to a supporter who held a fundraising event in support of the charity within a corporate partnership. The complaint was responded to within 10 days. Each year we report the number of complaints received to the Fundraising Regulator. Any serious complaints are escalated to COO and trustees.

HOW WE PROTECT VULNERABLE PEOPLE

We are signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us. We do not produce mass mailings with donation asks, any fundraising campaigns are led through email newsletters where there is a clear process to opt out of future newsletters.

We are in the process of reviewing and publishing a vulnerable persons policy to guide our fundraising and communications teams conduct with potentially vulnerable supporters.





FUNDRAISING HIGHLIGHTS

As the UK went into lockdown in March 2020, at the start of our financial year, we focused our time and resources into building strong relationships with our supporters; and increasing the ways we could connect with them online.

This approach enabled us to pivot so many face to face fundraising events into virtual events which helped us to raise an incredible £864,552 with our partnership with The Body Shop at Home™. We are so grateful to our growing “Ambassador” programme within the partnership that helped to champion so much virtual fundraising in 2020.

Without physical events, our supporters were creative in raising funds virtually, and most significantly we were delighted to have so many children supporting the charity in 2020 with virtual runs and walks.

We are grateful to so many grant makers and individuals who generously responded to the COVID-19 crisis and donated to help us respond to the emergent and ever changing needs of the communities we support.

We were delighted to be awarded a second grant from the Postcode Global Trust; a significant investment of £250,000. We are so thankful to players of the People’s Postcode Lottery which funds the Postcode Global Trust. Funds will support safe spaces and quality education for Syrian children and boost our Early Years education programme with Congolese refugee children in Kyaka II.

We ran our second matched giving campaign with The Big Give in December, investing in education for Dalit children in India. With thanks to matching funders; The Charles Jacob Charitable Trust, Pacific Star Charitable Trust and The Coles-Medlock Foundation, we were able to connect with new donors, inspire more than 150 donations and raise an incredible £44,432 during the campaign.

SAFEGUARDING

As an organisation that works to advance children's rights, we recognise the need to ensure that safeguarding considerations are part of everything that we do and that we need an organisational culture which enables this to happen. We continue to work closely with all our partners to ensure compliance with global safeguarding standards and timely reporting of incidents to donors and the Charity Commission.

Our Code of Conduct sets out clear expectations for all employees, volunteers and partners, who understand that action will be taken if they do not uphold these standards.

SERIOUS INCIDENT REPORTS

During the year there were no serious incidents to report to the Charity Commission.

There were no safeguarding incidents reported in the year.



REFERENCE & ADMINISTRATIVE DETAILS

REGISTERED COMPANY NUMBER

4996130 (England and Wales)

REGISTERED CHARITY NUMBER

1101441

REGISTERED OFFICE

5 The Victoria, 25 St Pancras, Chichester, West Sussex, PO19 7LT

CHIEF EXECUTIVE

Rachel Bentley

COMPANY SECRETARY

Ben Wilkes

TRUSTEES

Mr Stuart Gallimore - Chair

Mrs Helen Pattinson

Mr Paul Suter

Ms Sarah Wickens

Mr William (Walter) Jones

Mr Alan Finch (Resigned 25/06/2020)

AUDITORS

Scott Vevers Ltd, 65 East Street, Bridport, Dorset DT6 3LB

BANKERS

CAF Bank, PO Box 289, Kings Hill, West Malling, Kent ME19 4TA

Barclays Bank, 74/75 East Street, Chichester, West Sussex, PO19 1HR

STRUCTURE, GOVERNANCE & MANAGEMENT

Children on the Edge is a charitable company limited by guarantee, incorporated on 16 December 2003, company registration No. 4996130, Charity Registration No. 1101441. The company was established under the Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The trustees who are also directors of the Charity for the purposes of the Companies Act, have prepared their report and the audited financial statements of the charity for the year ended 28th February 2020 to meet all statutory requirements, including the requirements for a directors' report and accounts for Companies Act purposes.

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

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities.

RECRUITMENT AND APPOINTMENT OF NEW TRUSTEES

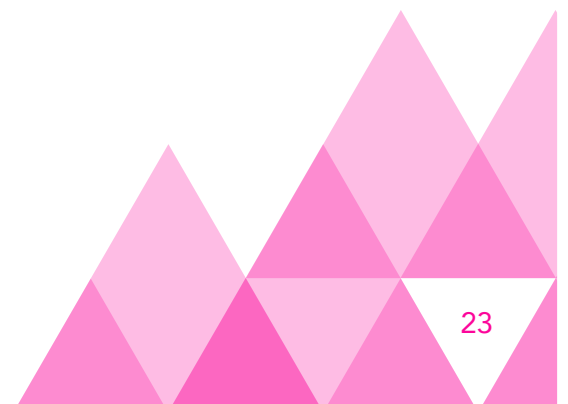
The Memorandum and Articles of Association allow for no less than three trustees to be appointed. Trustees all serve for a period of three years at which point the Articles of Association require them to resign as a trustee and seek re-election if they wish to continue to act. New trustees are nominated by members of the board of trustees, interviewed and appointed where they are found to have the necessary skills to contribute to the charity's management and development. Induction and training of new trustees:

When new trustees are appointed they are given an introduction to the work of the charity and provided with an information pack. This includes information about the role of trustees and charity law.

ORGANISATIONAL STRUCTURE

Each trustee takes responsibility for monitoring the charity's activities, and where appropriate the trustees form sub committees for specific operational areas. The main sub committee is the finance and governance committee, which meets at least twice a year.

This committee reports action points to Board meetings, which are also held at least twice a year. The charity's Chief Executive is responsible for the day-to-day operation of the charity and manages the staff of the charity on behalf of the trustees.



STRUCTURE, GOVERNANCE & MANAGEMENT

WIDER NETWORK

The charity's head office is in Chichester, with an overseas office in Thailand. The charity has a number of principal partner organisations with whom it cooperates to deliver its programmes. These organisations are laid out in the Programmes section of this document.

PAY POLICY FOR SENIOR STAFF

The Board of Directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the organisation on a day to day basis. All trustees give their time freely and no director received remuneration in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other charities of a similar size. The remuneration bench-mark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities. If recruitment has proven difficult in the recent past, a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

RISK MANAGEMENT

The trustees actively review the major risks that the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The trustees have also examined other operational and business risks that the charity faces and confirmed the establishment of systems to mitigate these, should they occur.

With international operations, travel and civil unrest in project locations present the most likely risk with policies and insurance, so we have regular checks to mitigate these.

The risk of the impact of the departure of key staff is mitigated through creating a strong working culture and environment as well as succession planning and engaging all staff in the vision, strategy and plans.

Our budget and regularly reviewed fundraising plans, as well as reserves ensure we have adequate funding. Strict policies and controls help reduce the risk of any financial fraud or mismanagement in project locations.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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 the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Scott Vevers will be proposed for re-appointment in accordance with Section 487 of the Companies Act 2006.

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

On behalf of the board:



Stuart Gallimore, Chair of Trustees
Date: 24 June 2021

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF CHILDREN ON THE EDGE

Opinion

We have audited the financial statements of Children On The Edge for the year ended 28th February 2021 set out on pages 29 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 financial statements

- give a true and fair view of the state of the charitable company's affairs as at 28th February 2021 and of the 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 Charities Act 2011.

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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF CHILDREN ON THE EDGE

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- the charitable company has not kept adequate accounting records; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF CHILDREN ON THE EDGE

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Vevers Ltd

Scott Vevers Ltd
Chartered Accountants & Statutory Auditors
65 East Street
Bridport
Dorset DT6 3LB

Date: 15 July 2021

Scott Vevers Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Children on the Edge
Statement of Financial Activities
(Incorporating an Income and Expenditure Account) for the Year Ended 28 February 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	1,130,873	504,972	1,635,845	1,185,949
Charitable activities	3	70,900	660,259	731,159	960,366
Other trading activities	4	7,877	-	7,877	54,899
Investments: deposit account interest		2,269	-	2,269	2,102
Other income	5	(23,625)	-	(23,625)	24,912
Total income		<u>1,188,294</u>	<u>1,165,231</u>	<u>2,353,525</u>	<u>2,228,228</u>
EXPENDITURE ON:					
Raising funds					
Cost of generating voluntary income	6	199,280	-	199,280	193,009
Charitable activities					
Provision of services to vulnerable children	7	249,423	1,447,248	1,696,671	1,261,563
Other expenditure - foreign currency losses		-	-	-	-
Total expenditure		<u>448,703</u>	<u>1,447,248</u>	<u>1,895,951</u>	<u>1,454,572</u>
Net income		739,591	(282,017)	457,574	773,656
Gross transfers between funds	14	-	-	-	-
Net Movement in Funds for the year		739,591	(282,017)	457,574	773,656
Total funds:					
Brought forward		923,811	914,897	1,838,708	1,065,052
Carried forward		<u>1,663,402</u>	<u>632,880</u>	<u>2,296,282</u>	<u>1,838,708</u>

The notes on pages 32 to 40 form an integral part of these financial statements.

Company Registration No. 4996130

		2021	2020
	Note	£	£
Fixed assets			
Tangible assets	11	3,385	8,781
Current assets			
Debtors	12	36,684	36,199
Cash at bank and in hand		2,276,943	1,818,853
		<u>2,313,627</u>	<u>1,855,052</u>
Creditors:			
Amounts falling due within one year	13	<u>(20,730)</u>	<u>(25,125)</u>
Net current assets		<u>2,292,897</u>	<u>1,829,927</u>
Net assets		<u>2,296,282</u>	<u>1,838,708</u>
Funds			
Restricted funds	14	632,880	914,897
Unrestricted funds	14	<u>1,663,402</u>	<u>923,811</u>
Total funds		<u>2,296,282</u>	<u>1,838,708</u>

These financial statements have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and preparation of accounts.

Whilst the company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies and the members have not required the company to obtain an audit under section 476 of the Act, the company is subject to audit under the Charities Act 2011.

The financial statements were approved by the Board of Trustees on 24 June 2021... and signed on its behalf by:



Mr S Gallimore - Trustee

The notes on pages 32 to 40 form an integral part of these financial statements.

	Note	2021		2020	
		£	£	£	£
Net cash flow from operating activities	16		455,821		770,615
Cash flow from investing activities					
Payments to acquire tangible fixed assets		-	-	-	-
Interest received		2,269		2,102	
Net cash flow from investing activities			2,269		2,102
Net increase / (decrease) in cash and cash equivalents			458,090		772,717
Cash and cash equivalents at 1 March 2020			1,818,853		1,046,136
Cash and cash equivalents at 28 February 2021			2,276,943		1,818,853

The notes on pages 32 to 40 form an integral part of these financial statements.

1 General information

Children On The Edge is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in Reference and administrative details. Details of the charity's operations are provided in the Report of the Trustees.

Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), (Charities SORP (FRS 102)), the Companies Act 2006 and the Charities Act 2011.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Donated assets and services are included at the value of essential expenditure that has been saved as a result of that gift.

Classification of expenditure

Expenditure is recognised when a liability is incurred. Funding provided through contractual agreements and performance related grants are recognised as goods or services as supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Costs of raising funds are those costs incurred in attracting voluntary income.

Governance costs include those incurred in the governance of its assets and are primarily associated with constitutional and statutory requirements.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Assets costing less than £1000 are written off in the year of purchase. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows: Plant and machinery - 33% on cost

Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into Sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Donations and legacies

	2021 £	2020 £
Gifts from individuals	702,811	694,786
Corporate fundraising activity	932,722	490,683
Gifts and services in kind	312	480
	<u>1,635,845</u>	<u>1,185,949</u>

Voluntary income includes monies raised through business activity from our corporate partners where a donation or an advertised amount from the sale of certain goods is donated to the charity.

Gifts and services in kind represent good and services donated by supporters.

3 Income from charitable activities

	2021 £	2020 £
Grants	731,659	959,866
Volunteer fees	(500)	500
	<u>731,159</u>	<u>960,366</u>

4 Other trading activities

	2021 £	2020 £
Fundraising events	7,396	53,829
Sale of merchandise	481	1,070
	<u>7,877</u>	<u>54,899</u>

5 Other income

	2021 £	2020 £
Employers relief	4,000	3,000
Sale of assets	-	8,421
Impact of Covid	4,727	-
Foreign currency gains	(32,352)	13,491
	<u>(23,625)</u>	<u>24,912</u>

6 Costs of raising funds

	2021 £	2020 £
Fundraising costs	30,194	49,812
Staff costs	157,027	129,881
Support costs	12,059	13,316
	<u>199,280</u>	<u>193,009</u>

7 Charitable activities costs

	2021	2020
	£	£
Provision of services to vulnerable children		
Direct costs	334,648	203,648
Grant funded activities (see below)	998,084	653,884
Staff costs (including travel)	240,417	281,730
Support costs	106,524	107,911
Governance costs	16,998	14,390
	<u>1,696,671</u>	<u>1,261,563</u>

The functional split of support costs is as follows:

	£	£
Communications	3,395	3,765
Staff costs	53,606	54,156
Accommodation costs	26,562	17,527
Office costs	14,273	25,347
Insurance	1,755	2,472
Accountancy	17,617	12,985
Depreciation and profit on sale of tangible fixed assets	5,395	6,454
Apportioned to fundraising and governance costs	(16,079)	(14,795)
	<u>106,524</u>	<u>107,911</u>

The functional split of governance costs is as follows:

	£	£
Staff costs	6,936	6,424
Support costs	4,020	1,480
Legal costs	114	726
Auditor's remuneration	5,928	5,760
	<u>16,998</u>	<u>14,390</u>

8 Grants payable

The grants payable to organisations working with vulnerable children during the year were as follows:

	2021	2020
	£	£
Mutki (Bangladesh)	627,020	466,347
Rohingya Children's Education Programme (Bangladesh)	-	1,453
Kachin Development Group (Burma)	39,083	58,428
Parivartan Kendra (India)	15,687	13,519
Navjeevan Educational and Social Welfare Society (India)	108,540	48,138
Tatvasi Samaj Nyas (India)	9,469	10,246
Miscellaneous grants (Bangladesh)	-	60
Miscellaneous grants (Lebanon)	-	1,650
Miscellaneous grants (Thailand)	12,297	2,354
Foundation Notre Dame Du Perpetual Secours (Haiti)	-	968
Triumphant Mercy (Lebanon)	185,988	50,721
	<u>998,084</u>	<u>653,884</u>

9 Resources expended

Operating profit is stated after charging:

	2021	2020
	£	£
Other operating leases	17,900	9,375
The audit of the company's annual accounts	5,928	5,760
Depreciation of owned assets	<u>5,396</u>	<u>6,453</u>

10 Staff costs

No remuneration or expenses were paid to trustees during the year. The costs of the remaining staff were:

	2021	2020
	£	£
Wages and salaries	301,923	264,760
Social security costs	28,488	25,260
Pension costs	35,843	27,502
Overseas staff costs	71,783	69,239
Grant funded overseas staff costs	62,982	39,497
	<u>501,019</u>	<u>426,258</u>

No employee earned more than £60,000 during the year.

The average monthly number of staff employed by the charity during the year was as follows:

	2021	2020
	No.	No.
Projects	3.15	2.44
Fundraising and publicity	4.48	3.09
Support	1.37	1.16
Governance	0.10	0.10
Overseas	14.90	11.80
	<u>24.00</u>	<u>18.59</u>

The average number of staff employed in UK (Headcount) 11.20 8.75

11 Tangible fixed assets

	Plant & machinery	Motor vehicles	Total
	£	£	£
Cost			
As at 1 March 2020	20,646	11,232	31,878
Disposals	-	-	-
As at 28 February 2021	<u>20,646</u>	<u>11,232</u>	<u>31,878</u>
Depreciation			
As at 1 March 2020	18,155	4,942	23,097
Charge for the year	1,689	3,707	5,396
Eliminated on disposals	-	-	-
As at 28 February 2021	<u>19,844</u>	<u>8,649</u>	<u>28,493</u>
Net book value			
As at 28 February 2021	<u>802</u>	<u>2,583</u>	<u>3,385</u>
As at 29 February 2020	<u>2,491</u>	<u>6,290</u>	<u>8,781</u>

12 Debtors

	2021	2020
	£	£
Other debtors	<u>36,684</u>	<u>36,199</u>

13 Creditors: Amounts falling due within one year

	2021	2020
Trade creditors	2,180	4,045
Social security and other taxes	5,454	6,776
Other creditors and accruals	13,096	14,304
	<u>20,730</u>	<u>25,125</u>

14 Movement in funds

	At 01.03.20	Net movement in funds	Transfers between funds	At 28.02.21
	£	£	£	£
Restricted funds				
India	-	20,961	-	20,961
Lebanon	219,657	(19,037)	-	200,620
Uganda	-	-	-	-
Bangladesh	653,912	(292,706)	-	361,206
Burma borders (including Kachin state)	41,328	8,765	-	50,093
Haiti	-	-	-	-
	<u>914,897</u>	<u>(282,017)</u>	<u>-</u>	<u>632,880</u>
Unrestricted funds				
Designated funds				
Lebanon	-	-	-	-
Uganda	244,687	-	423,741	668,428
Bangladesh	11,363	-	181,441	192,804
Thailand	-	-	-	-
Burma	-	-	8,706	8,706
India	106,849	-	111,944	218,793
UK based costs	206,640	-	259,635	466,275
	<u>569,539</u>	<u>-</u>	<u>985,467</u>	<u>1,555,006</u>
General fund	354,272	739,591	(985,467)	108,396
Total unrestricted funds	<u>923,811</u>	<u>739,591</u>	<u>-</u>	<u>1,663,402</u>
Total funds	<u>1,838,708</u>	<u>457,574</u>	<u>-</u>	<u>2,296,282</u>
2020	£	£	£	£
Restricted funds				
India	-	-	-	-
Lebanon	-	219,657	-	219,657
Uganda	-	-	-	-
Bangladesh	354,647	299,265	-	653,912
Burma borders (including Kachin state)	42,703	(1,375)	-	41,328
Haiti	-	(966)	966	-
	<u>397,350</u>	<u>516,581</u>	<u>966</u>	<u>914,897</u>
Unrestricted funds				
Designated funds				
Lebanon	52,554	-	(52,554)	-
Uganda	157,233	-	87,454	244,687
Bangladesh	7,968	-	3,395	11,363
Thailand	-	-	-	-
Burma	10,298	-	(10,298)	-
India	57,520	-	49,329	106,849
UK based costs	103,457	-	103,183	206,640
	<u>389,030</u>	<u>-</u>	<u>180,509</u>	<u>569,539</u>
General fund	278,672	257,075	(181,475)	354,272
Total unrestricted funds	<u>667,702</u>	<u>257,075</u>	<u>(966)</u>	<u>923,811</u>
Total funds	<u>1,065,052</u>	<u>773,656</u>	<u>-</u>	<u>1,838,708</u>

14 Movement in funds (continued)

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

	Incoming resources £	Resources expended £	Movement in funds £
Restricted funds			
India	186,506	165,545	20,961
Lebanon	155,680	174,717	(19,037)
Uganda	269,957	269,957	-
Bangladesh	477,940	770,646	(292,706)
Burma borders (including Kachin state)	75,148	66,383	8,765
Haiti	-	-	-
	<u>1,165,231</u>	<u>1,447,248</u>	<u>(282,017)</u>
Unrestricted fund			
General fund	<u>1,188,294</u>	<u>448,703</u>	<u>739,591</u>
	<u>2,353,525</u>	<u>1,895,951</u>	<u>457,574</u>
2020	£	£	£
Restricted funds			
India	52,025	52,025	-
Lebanon	283,873	64,216	219,657
Uganda	158,930	158,930	-
Bangladesh	900,159	600,894	299,265
Burma borders (including Kachin state)	81,184	82,559	(1,375)
Haiti	15	981	(966)
	<u>1,476,186</u>	<u>959,605</u>	<u>516,581</u>
Unrestricted fund			
General fund	<u>743,621</u>	<u>486,546</u>	<u>257,075</u>
	<u>2,219,807</u>	<u>1,446,151</u>	<u>773,656</u>

Where money is given for a specific geographic area or project, a separate fund is created and expenditure incurred in the area allocated against the income. An allocation of support costs is made where there are sufficient fund balances.

Funds are designated by the trustees in particular areas to maintain the sustainability and commitment to programmes as detailed in the Trustees' Report.

15 Analysis of fund balances between net assets

	Restricted funds £	Designated funds £	Unrestricted funds £	Total £
Fixed assets	-	-	3,385	3,385
Current assets	632,880	1,555,006	125,741	2,313,627
Creditors	-	-	(20,730)	(20,730)
Total funds	<u>632,880</u>	<u>1,555,006</u>	<u>108,396</u>	<u>2,296,282</u>

2020	£	£	£	£
<i>Fixed assets</i>	-	-	8,781	8,781
<i>Current assets</i>	914,897	569,539	370,616	1,855,052
<i>Creditors</i>	-	-	(25,125)	(25,125)
<i>Total funds</i>	<u>914,897</u>	<u>569,539</u>	<u>354,272</u>	<u>1,838,708</u>

16 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income for the year	457,574	773,656
Interest receivable	(2,269)	(2,102)
Depreciation and impairment of tangible fixed assets	5,396	6,453
(Increase) / decrease in debtors	(485)	(14,118)
Increase / (decrease) in creditors	(4,395)	6,726
Net cash flow from operating activities	<u>455,821</u>	<u>770,615</u>

17 Gross obligations under operating leasing agreements

As at 28 February 2021 the charity had future minimum lease commitments as follows:

	2021 £	2020 £
Not later than 1 year	17,900	17,900
Later than 1 year and not later than 5 years	46,242	64,142
	<u>64,142</u>	<u>82,042</u>

18 Related party transactions

Donations totalling £16,465 were made to the charity by three trustees during the year.

	2021		2020	
	£	£	£	£
INCOME				
Donations and legacies				
Gifts from individuals		702,811		694,786
Corporate fundraising activity		932,722		490,683
Gifts and services in kind		312		480
		<u>1,635,845</u>		<u>1,185,949</u>
Charitable activities				
Grants received	731,659		959,866	
Volunteer fees	<u>(500)</u>		<u>500</u>	
		731,159		960,366
Other trading activities				
Events and challenges	7,396		53,829	
Fundraising trading - project fees	<u>481</u>		<u>1,070</u>	
		7,877		54,899
Investment income				
Deposit account interest receivable		2,269		2,102
Other income				
Employer's relief	4,000		3,000	
Sale of assets	-		8,421	
Impact of Covid	4,727		-	
Foreign exchange gains/(losses)	<u>(32,352)</u>		<u>13,491</u>	
		(23,625)		24,912
Total income		<u>2,353,525</u>		<u>2,228,228</u>
EXPENDITURE				
Cost of raising funds (analysed below)				
Fundraising costs	30,194		49,812	
Staff costs	157,027		129,881	
Support costs	<u>12,059</u>		<u>13,316</u>	
		199,280		193,009
Charitable activities (analysed below)				
Direct costs	334,648		203,648	
Grant funded activities	998,084		653,884	
Staff costs	255,524		295,299	
Support costs	91,417		94,342	
Governance costs	<u>16,998</u>		<u>14,390</u>	
		1,696,671		1,261,563
Total expenditure		<u>1,895,951</u>		<u>1,454,572</u>
Net income		<u>457,574</u>		<u>773,656</u>

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	2021 £	2020 £
Cost of raising funds		
Fundraising costs	29,882	49,332
Gifts and services in kind (fundraising costs)	312	480
Allocation of staff costs	157,027	129,881
Allocation of support costs	12,059	13,316
	<u>199,280</u>	<u>193,009</u>
Charitable activities		
Direct costs		
Materials and programme costs	334,648	203,648
Grant funded activities	998,084	653,884
	<u>1,332,732</u>	<u>857,532</u>
Staff costs		
UK wages and salaries	301,923	264,731
Staff NIC (Employers)	28,488	25,260
Staff pensions	35,843	27,503
Other UK staff costs inc training and welfare	15,107	13,569
Overseas staff costs	71,783	69,239
Travel and subsistence	4,842	71,889
Allocation to fundraising costs	(157,027)	(129,881)
Allocation to support costs	(38,499)	(40,587)
Allocation to governance costs	(6,936)	(6,424)
	<u>255,524</u>	<u>295,299</u>
Support costs		
Staff costs	38,499	40,587
Rent, rates and utilities	26,562	17,527
Office cleaning	1,132	1,702
Communications	3,395	3,765
Overseas office expenses	3,710	8,142
Printing, postage and stationery	1,341	1,975
Insurance	1,755	2,472
Repairs and maintenance	6,953	12,415
Sundry expenses	3	2
Accountancy fees	17,617	12,985
Bank charges	1,135	1,112
Depreciation of office equipment	5,395	6,454
Allocation to fundraising costs	(12,059)	(13,316)
Allocation to governance costs	(4,020)	(1,480)
	<u>91,418</u>	<u>94,342</u>
Governance costs		
Audit fee	5,928	5,760
Legal and professional fees	114	726
Allocation of staff costs	6,936	6,424
Allocation of support costs	4,020	1,480
	<u>16,998</u>	<u>14,390</u>

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