

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
CHILD OF HOPE

Newton Magnus
Chartered Certified Accountants
Arrowsmith Court
Station Approach
Broadstone
Dorset
BH18 8AT

CHILD OF HOPE

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CHILD OF HOPE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity Child of Hope currently works (although it is not restricted to this purpose) to support the work of its sister charity called Child of Hope Outreach Uganda, a locally registered Non-Governmental Organisation in Mbale, Uganda.

The leaders of this project are known personally to the Trustees of the UK charity, and are known to enjoy the support of local people and leaders in Mbale for their work to assist in child development through medical care, education and training, to assist parents of children in such need with relief of financial hardship through enterprise initiatives.

CHILD OF HOPE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES

Significant activities

The exam year pupils in Primary 7 and Senior 4 were allowed back to school for a few months by the Government, to enable them to prepare for and sit their exams a few months later than normal. Accommodation was provided on site for P7 pupils for several weeks prior to their Primary Leaving Exam (PLE), allowing concentrated input and revision to offset the missed school attendance. These special efforts of staff resulted in yet another record set of PLE results, putting the primary school amongst the top results of Ugandan schools.

Teachers who remained on staff during the long lockdown worked hard to prepare curriculum materials and ensure the readiness of buildings for whenever the children might be allowed to return. They also collated home learning packs to deliver to primary and secondary pupils during the closure, following these up with visits, providing some individual home tuition.

Welfare teams worked hard to monitor all pupils' wellbeing while out of school. Some of the secondary pupils were helped to remain purposefully occupied by being given opportunities to help the welfare team. This included the distribution of food vouchers and completion (under supervision) of the accompanying paperwork.

Our emergency appeal that ran during the autumn brought in £15,000, which allowed continuing support through food vouchers to the neediest families of Namatala. Then, our Christmas appeal brought in a further £8,270 to provide approximately 5,000 people with meat, rice and vegetables for celebratory Christmas meals in their own homes.

Funds were also received which enabled the following achievements:

Excellent Primary exam results: despite the challenges of the past 18 months, our latest primary leavers have smashed previous Child of Hope records in their primary leaving exam! This now puts our school officially in the top 3% of primary schools in Uganda, compared with the top 6% last year. There are four divisions of pass, with all our children passing in the top two divisions, 61% in division 1.

Secondary exams: Our Year 4 secondary students took their Ugandan Certificate of Education exams. The local community was surprised at their encouraging results, especially since this was our first year and school had been closed most of the time. We therefore expect to improve considerably on these in future years. At UCE Level, the students are tested in 8-10 different subjects. A score is obtained for each subject, these scores being aggregated to get a final score, which determines which Division the student achieves.

Fostering: Our project provides care for our vulnerable, homeless, orphaned or abandoned pupils (23 children as at the end of 2021). Their personal suffering is alleviated by supporting them to live with trained and vetted foster families. As well as supplying daily basic physical needs of accommodation, warmth and food, the project helps to address emotional needs by providing a nurturing environment to combat feelings of loss, rejection and isolation, while building self-confidence and sense of worth.

Solar power was installed at the secondary school: Students and staff will no longer be dependent on our generator for lighting and power sockets (there has been no national electricity available in the area since the school was built).

IT laboratory: Installation commenced at the secondary school and work undertaken to strengthen the security of the room with a concrete ceiling, solid partition walls and reinforced doors. These additional security measures have been necessitated by the pandemic, which has seen crime rates soar amongst people desperate to find an income.

Rice: Growing crops was difficult in 2021 with periods of flooding followed by drought. In this first season we produced about three tonnes of rice, most of which is being held in our storehouse as the prices are still increasing. An irrigation system is currently being established that is expected to double the yield to six tonnes per season.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES

Emergency Covid support: Child of Hope raised money to help hungry families and throughout the year the family support team provided regular food, hygiene products, masks and medical supplies. School nurse and her assistants provide basic education on primary health care to reduce the spread of all diseases including malaria and typhoid. Our school clinic remains open to any of our children who need medical attention.

Public benefit

Child of Hope's main role is to raise funds for the work of its sister NGO in Uganda, the service delivery of which is laid out in the following paragraphs. That basically involves providing free education for the poorest and most vulnerable children of nursery, primary and secondary age in the slums near Mbale, eastern Uganda – and many 'wrap-around' services to benefit their families.

In doing so, the trustees have complied with their duty to have due regard to the commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

Grantmaking

In pursuance of their aims, the trustees have made applications to grant-making trusts in the UK and have ongoing discussions with like-minded individuals and groups about further funding for projects which they wish to support. These grants were awarded:

- o WF Southall Trust £2,000
- o Souter Trust £4,000
- o Clive & Silvia Richards Trust £15,000
- o Valentine Trust £5,000
- o Strathspey Charitable Trust £1,600
- o Open Gate Trust £2,000
- o The Pat Newman Memorial Trust £1,000
- o MPM Charitable Trust £2,500
- o RG Hills Charitable Trust £1,500
- o Jephcott Trust £9,420
- o Firth Trust £5,000.00

Donations

The charity website, which we share with Child of Hope Uganda, contains an on-line 'shop' through which donations can be made for many areas of the charity's current activities via PayPal. There are also online payment methods available through JustGiving, CAF and Charity Choice.

CHILD OF HOPE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

The annual accounts for 2021 show that a total of £243,440 was received from different sources by the charity. Monies transferred to Uganda in the period totalled £222,341 and a sum of £28,594 (just 11.75%) was used to cover UK activities: bank and other fees, fundraising, supporter communications, administration, monitoring funds and accountability.

A database of all sponsored children allows the charity to report back to sponsors, with details of the relevant child/children's progress through the Ugandan school system, often with short videos of the children. It also allows for pertinent information to be forwarded to sponsors when received from the Child of Hope School in Mbale. This brings about a close bond between sponsor and sponsored child/children, resulting in long-term sponsorship and genuine interest in a particular child and his/her family, rather than simply the making of a charitable donation to a worthy cause.

During the year, updates and reports have been received from the Uganda NGO showing that funds transmitted have been used as designated by the trustees. In addition, one of the NGO leaders regularly met with the trustees on Zoom and reported on progress and developments in their work. This gave the trustees opportunities to assist the project with fundraising and to explain in more detail the requirements of the trust, with regard to accounting and reporting back on the use of funds that the trustees had made available to them for their activities among very poor children and their families in a major slum area of Mbale.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Recruitment and appointment of new trustees

Trustees are appointed by invitation after consideration and agreement by the entire board of trustees. As a Christian charity, the majority of trustees must be Christians and already supportive of the charity and its goals.

Related parties

During the year Rachel Clark who is married to the trustee Paul Clark provided digital marketing services to the value of £4,180.00 to the charity.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1136068

Principal address

35 Roman Road
Broadstone
Dorset
BH18 9DG

CHILD OF HOPE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees

P K Game (deceased 29.1.2021)
H Lowe
C Tebbutt (resigned 12.6.2021)
S Burton
P N Clark
C L Edmunds
A G Goudie (appointed 17.4.2021)
Ms M E Thomas (appointed 9.9.2021)
Dr D F Burrows (appointed 29.9.2021)

Chair of Trustees

P N Clark

Independent Examiner

C J Fairhall
FCCA
Newton Magnus
Chartered Certified Accountants
Arrowsmith Court
Station Approach
Broadstone
Dorset
BH18 8AT

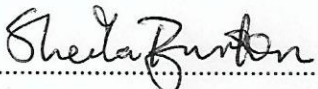
COMMENCEMENT OF ACTIVITIES

The charity Child of Hope was formally registered in the United Kingdom with the Charity Commission and entered onto the Register of Charities on 21 May 2010.

INCOME RESERVES

The Ugandan charity applies for specific monies each month and any excess remained in the UK for future use. It is the policy of the charity to retain sufficient funds in the current bank account to avoid becoming overdrawn and incurring bank charges.

Approved by order of the board of trustees on 28.03.22 and signed on its behalf by:


.....

S Burton - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CHILD OF HOPE**

Independent examiner's report to the trustees of Child of Hope

I report to the charity trustees on my examination of the accounts of Child of Hope (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



C J Fairhall
FCCA
Newton Magnus
Chartered Certified Accountants
Arrowsmith Court
Station Approach
Broadstone
Dorset
BH18 8AT

Date: *25 March 2022*

CHILD OF HOPE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME FROM					
Donations and grants		101,223	142,217	243,440	244,111
Investment income	2	-	-	-	6
Total		101,223	142,217	243,440	244,117
EXPENDITURE ON					
Raising funds	3	28,594	-	28,594	21,477
Other		79,993	142,348	222,341	230,604
Total		108,587	142,348	250,935	252,081
NET INCOME/(EXPENDITURE)		(7,364)	(131)	(7,495)	(7,964)
RECONCILIATION OF FUNDS					
Total funds brought forward		33,650	131	33,781	41,745
TOTAL FUNDS CARRIED FORWARD		26,286	-	26,286	33,781

CONTINUING OPERATIONS


All income and expenditure has arisen from continuing activities.

CHILD OF HOPE

BALANCE SHEET 31 DECEMBER 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
CURRENT ASSETS					
Cash in hand		26,286	-	26,286	33,781
NET CURRENT ASSETS		<u>26,286</u>	<u>-</u>	<u>26,286</u>	<u>33,781</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>26,286</u>	<u>-</u>	<u>26,286</u>	<u>33,781</u>
NET ASSETS		<u>26,286</u>	<u>-</u>	<u>26,286</u>	<u>33,781</u>
FUNDS	6				
Unrestricted funds				26,286	33,650
Restricted funds				-	131
TOTAL FUNDS				<u>26,286</u>	<u>33,781</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 28.03.22 and were signed on its behalf by:


S Burton - Trustee

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on a cash basis. The charity considers any accrued expenses to be insignificant. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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.

CHILD OF HOPE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	-	6

3. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Travel and subsistence	30	101
Publicity	14	332
Fundraising costs	225	253
Stationery, post and IT costs	1,226	458
Administrative costs	26,118	19,453
Insurance	400	413
Support costs	581	467
	<u>28,594</u>	<u>21,477</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

Trustees' expenses for the year ended 31 December 2021 totalled £nil (2020 £nil).

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds
	£	£	£
INCOME FROM			
Donations and grants	98,593	145,518	244,111
Investment income	6	-	6
Total	<u>98,599</u>	<u>145,518</u>	<u>244,117</u>
EXPENDITURE ON			
Raising funds	21,477	-	21,477
Other	60,104	170,500	230,604
Total	<u>81,581</u>	<u>170,500</u>	<u>252,081</u>

CHILD OF HOPE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	17,018	(24,982)	(7,964)
RECONCILIATION OF FUNDS			
Total funds brought forward	16,632	25,113	41,745
TOTAL FUNDS CARRIED FORWARD	<u>33,650</u>	<u>131</u>	<u>33,781</u>

6. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	33,650	(7,364)	26,286
Restricted funds			
Other restricted	131	(131)	-
TOTAL FUNDS	<u>33,781</u>	<u>(7,495)</u>	<u>26,286</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	101,223	(108,587)	(7,364)
Restricted funds			
Other restricted	142,217	(142,348)	(131)
TOTAL FUNDS	<u>243,440</u>	<u>(250,935)</u>	<u>(7,495)</u>

CHILD OF HOPE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

6. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	16,632	17,018	33,650
Restricted funds			
Other restricted	25,113	(24,982)	131
TOTAL FUNDS	<u>41,745</u>	<u>(7,964)</u>	<u>33,781</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	98,599	(81,581)	17,018
Restricted funds			
Other restricted	145,518	(170,500)	(24,982)
TOTAL FUNDS	<u>244,117</u>	<u>(252,081)</u>	<u>(7,964)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	16,632	9,654	26,286
Restricted funds			
Other restricted	25,113	(25,113)	-
TOTAL FUNDS	<u>41,745</u>	<u>(15,459)</u>	<u>26,286</u>

CHILD OF HOPE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

6. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	199,822	(190,168)	9,654
Restricted funds			
Other restricted	287,735	(312,848)	(25,113)
TOTAL FUNDS	<u>487,557</u>	<u>(503,016)</u>	<u>(15,459)</u>

7. RELATED PARTY DISCLOSURES

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

8. RESTRICTED FUNDS

During the year the following restricted income was received:

	2020	2020
Child education	£48,902	£43,257
Teacher sponsorship	£3,031	£2,775
Social worker sponsorship	£0	£603
IGA worker	£3,890	£3,068
Welfare	£622	£0
Child/family gift	£0	£942
Health care	£1,140	£794
Fostering, boys/girls home	£900	£550
Food	£1,345	£1,255
Emergency appeal	£23,228	£68,979
Community fund	£1,200	£1,200
Books and shoes	£84	£374
Other restricted income	£3,820	£15,720
Special projects	£54,055	£6,000
Total	£142,217	£145,518

CHILD OF HOPE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
INCOME		
Donations and grants		
General funds	101,223	145,518
Restricted funds	142,217	98,593
	<u>243,440</u>	<u>244,111</u>
Investment income		
Deposit account interest	-	6
	<u>243,440</u>	<u>244,117</u>
Total incoming resources		
	243,440	244,117
EXPENDITURE		
Raising donations and legacies		
Travel and subsistence	30	101
Publicity	14	332
Fundraising costs	225	253
Stationery, post and IT costs	1,226	458
Administrative costs	26,118	19,453
Insurance	400	413
	<u>28,013</u>	<u>21,010</u>
Other		
Uganda revenue fund	222,341	230,604
Support costs		
Finance		
Bank and other charges	581	467
	<u>250,935</u>	<u>252,081</u>
Total resources expended		
	250,935	252,081
Net expenditure	<u>(7,495)</u>	<u>(7,964)</u>

This page does not form part of the statutory financial statements