

**FSCI (UK)**

**A Charitable Incorporated Organisation**

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**Charity number: 1170914**

**CIO number: CE009486**

**FSCI (UK)  
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**FSCI (UK)**  
**LEGAL AND ADMINISTRATIVE INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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<b>Charity Number</b>	1170914
<b>Charitable Incorporated Number</b>	CE009486
<b>Registered Office</b>	St Paul's Church Fisherton Street Salisbury Wiltshire SP2 7QW
<b>Trustees</b>	Bernard Bentley Ray Flux Steven Parker Elizabeth Pollard
<b>Key management</b>	Chris Mould (Chief Executive) Richard Parsons (Operations Manager)
<b>Bankers</b>	Santander 53 Silver Street Salisbury SP1 2NG
<b>Independent examiner</b>	Simon Ellingham FCA DChA Fawcetts LLP Chartered Accountants and Statutory Auditors Windover House St. Ann Street Salisbury SP1 2DR

**FSCI (UK)  
TRUSTEES REPORT**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**FSCI (UK) TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022**

The trustees present their annual report together with the financial statements of FSCI (UK) for the period ended 31 March 2022. The trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) FRS102 "Accounting and Reporting by Charities".

**Structure, Governance and Management**

The charity was registered as a Charitable Incorporated Organisation (CIO) on 23 December 2016 and started carrying out its charitable activities on 1 April 2017. This is its fifth accounting period for the 12 month period to 31 March 2022.

FSCI (UK) also trades as the Foundation for Social Change and Inclusion.

The trustees who served during the period and up to the date of this report were:

- Bernard Bentley
- Ray Flux
- Steven Parker
- Elizabeth Pollard

The charity is managed by the trustees who make strategic decisions and are legally responsible for the management of risks faced by the charity. The day to day management of the charity is delegated to the Chief Executive. The Chief Executive attends all meetings of the trustees and regularly reports and updates the Board between their formal meetings.

Any new trustees are identified and selected by current trustees for the knowledge, skills and experience in relevant fields that they can bring to the charity.

**Risk Management**

The trustees are responsible for identifying and reviewing the risks to which the charity is exposed and for ensuring appropriate controls are in place to provide reasonable safeguards against fraud and error.

**Objectives and Activities**

FSCI works to break the cycle of poverty and marginalization for some of the most vulnerable individuals and communities in Southeast Europe. We prevent exploitation and human trafficking, helping to effect positive change throughout the region. We do this in partnership with local people, public authorities, businesses and churches.

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FSCI aims to:

- Work for the social development of underprivileged individuals, groups and communities.
- Help underprivileged children, young people, adults and families meet their potential as an accepted part of society.
- Promote the rights of underprivileged individuals, groups and communities;
- Demonstrate to local and national authorities, businesses and communities that social problems can be tackled in more effective ways than those currently offered.
- Encourage and popularize voluntary work.

FSCI operates four programmes:

**The House of Opportunity Programme (HOP)** is a residential training programme for vulnerable young people at risk of exploitation, particularly those leaving orphanages and foster care. A network of small group homes supports these care leavers through the difficult transition to independence by helping them complete or continue their education, assisting them to find employment and helping them develop vital life skills. In this way they have every opportunity to lead a normal, fulfilling life. Over the last fourteen years the House of Opportunity Programme has supported 215 young Bulgarians and 145 young people outside of Bulgaria. This year FSCI provided four Houses of Opportunity in Bulgaria and five in other Southeast European countries. Evaluation shows that the programme is highly effective in helping young people establish positive and enduring foundations for life.

**The Social Enterprise Programme** offers an integrated approach to developing the employment skills of care leavers to equip them with what is required to succeed in the workplace.

**The Early Years Education Programme** provides a vital pathway into education for disadvantaged children from Roma neighbourhoods and other vulnerable communities. Working with the families, this intervention leads to educational integration and the prevention of early school dropout. During 2021/22 FSCI ran kindergartens in Fakulteta, Bulgaria, and Peqin, Albania and an Early Child Development Centre in Chisinau, Moldova.

**The FSCI Development Programme** builds the capacity of small, like-minded NGOs in Southeast European countries that share the problems FSCI is seeking to address. FSCI has seven partners in the Development Programme. Together with three of them we ran five Houses of Opportunity in Serbia, Croatia and Albania and Early Years Education Programmes in Albania and Moldova during 2021/22. We began the Development Programme in 2015 as proof of concept work to test our social franchising approach to replication which is centred on the use of detailed operating manuals, with training, technical support and quality assurance delivered by our central team. The proof of concept pilots in Albania, Bosnia Herzegovina, Croatia and Serbia worked well, delivering good outcomes for the individual beneficiaries and good value for money.

Each Christmas FSCI delivers thousands of shoeboxes with gifts to poor people in Southeast Europe. In the summer FSCI runs a football camp in Bulgaria for House of Opportunity residents and young men from a youth prison.

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FSCI's achievements and performance which we report on here are the result of the hard work and commitment of a dedicated group of people based in a number of different countries and employed by a number of different organisations who all come together as the FSCI network. The team during 2021/22 included twelve FSCI project staff in Bulgaria, two staff and an (unpaid) chief executive in the UK and eighteen project staff and thirteen regular volunteers in FSCI partner organisations. We also benefited from the support of over 200 volunteers in the UK.

## **Achievements and Performance**

### **Overview**

2021/22 was the year the world began to move on from the global Covid 19 pandemic. However the global volatility and uncertainty continued to have a significant effect on the charity: operationally because of the additional risks and challenges associated with maintaining our delivery of services and at the tail end of the year because of the war in Ukraine and the refugee crisis that ensued; financially, because of the downturn in giving and access to grants which proved to be a common experience for charities and NGOs operating in the UK and in the countries where FSCI operates. It was however more stable than the previous financial year principally because of the funds received to deliver Building Resilience in Vulnerable Communities, a multi-year project that began in August 2021.

Trustees wish to pay tribute to the resilience and the ongoing professionalism, integrity and personal commitment of the operational leaders in the UK and in Bulgaria and to the leaders of FSCI's partner organisations in the FSCI Development Programme. Their dedication and fortitude are very valuable assets which help to make the charity stand out in its field. We take this opportunity to thank them.

The reputation of the House of Opportunity Programme and of FSCI is growing, which means government agencies are making more frequent approaches to FSCI and its partners and regularly referring vulnerable individuals, not all of which can be responded to despite the sometimes desperate needs of the individual young people or communities involved.

During 2020/21 FSCI worked with its partner in Moldova, Beginning of Life, to develop a proposal for a multi-year transformative programme that would use our existing programmes and our field experience to build resilience in Moldova's most vulnerable communities. Thanks to the generosity of a group of business people who have a heart for Europe's poorest country, we were able to begin a five year project in August 2021 which trustees are viewing as a proof of concept for how the charity can achieve maximum impact through its programmes in future.

The charity ended the financial year stable, with a positive cash flow projection right through the new financial year.

Trustees are pleased to report that the FSCI multi-country network remains strong, with positive and effective collaboration continuing. This we see as particularly important given FSCI's investment over the past five years to build the network. FSCI, with its committed and increasingly experienced group of partners presents serious practical potential as an agent of change, a potential we are putting to the test in our latest endeavours centred on Moldova.

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Nothing explains better why FSCI's work is so important than a story of what it has meant for beneficiaries.

## **The gift of Hope – Nada**

She was an unwanted gift, an unidentified baby left in a cardboard box in an elevator.

A police patrol discovered her and took her to hospital. The social worker assigned to the case had to put a name on the paperwork. She and her daughter decided upon the name Nada, which means hope. It was Christmas time, so baby Nada's birthday was put down as Christmas eve.

Nada was placed in Zvečanska, an institution for children in Belgrade. No adoptive parents were found. At the age of two, she was placed in a foster family near the city of Zrenjanin.

Nada was safe and grew up with rooms to sleep and bathe in, she says. She doesn't talk of love in the family. Nada finished school but at the age of 20 she had to leave home and everything she knew behind. When the financial support for children in the Serbian foster system stops, there is often a complete severing of ties between the foster family and young person. Nada found herself unwanted again.

The sense of rejection was profound.

Nada started looking for her biological parents, but without success. There was no address on the cardboard box.

Nada returned to Belgrade, but with no family or friends, she was entirely on her own. Living in a shelter for adults and the elderly, Nada felt alone, and life seemed without hope. Nobody, it appeared to her, wanted to help.

One day though, in the autumn of 2021, the Center Zvezda team found Nada as they were making calls upon the various institutions, they maintain relationships with. Nada now has support and a home at the House of Opportunity and told us *"After shelter for adult people, when I came to the House, I thought I was in paradise. All looks very nice; my roommates are supportive, and I feel free."* Here at last Nada has found acceptance in a place where she can rest securely, think about what she wants to do with her life, and know that she will receive the help she needs to bring her plans to fruition. At last, Nada has real hope – the unidentified baby in the cardboard box, the unwanted gift, is now a young woman with a family, a home and a future.

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**Ukrainian Refugee Crisis**

The war in Ukraine became a serious issue for FSCI at the tail end of the financial year when the influx of thousands of refugees demanded the attention of our partners in Moldova and to a lesser extent in Bulgaria. FSCI launched an emergency appeal to help Ukrainian refugees which attracted significant support. With immediate, pre-existent operational connections to established, local, community-based NGOs, the charity was able to offer concerned donors a route to a rapid, tailored response. As a result FSCI has funded a rapid response team in Moldova, with a logistics co-ordinator and three social workers and direct humanitarian aid to refugees housed temporarily in their thousands on Bulgaria's Black Sea coast.

**Christmas Shoe Box appeal 2021**

After the challenges of the previous year, the 2021 Christmas Box Appeal went well. Donations of Christmas boxes were up compared with 2020, and whilst they were not back at pre-Covid levels, we were able to fill a truck this year.

Financially, the project fared little better than the previous year, with a final surplus of about £800, with an income of £22.2k against outgoings of £21.4k. Increased costs (vehicle hire and fuel) hit hard in the UK.

Given the current economic situation, the levels of profit that the project has generated in previous years are unlikely to appear again for the foreseeable future.

Some numbers in brief:

- 7,934 boxes this year, an increase of over 1,400 boxes from 2020 (6,492).
- 120 (85) schools, 30+ churches involved in UK.
- UK sorting and packing depot provided by St Martins Church, Salisbury.
- 70+ organisations/institutions/NGOs/community groups received boxes.
- Boxes distributed in locations throughout Bulgaria



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### **Run, Aggie, run – Agagul**

Agagul, or Aggie, was born in Afghanistan during the era of Western intervention. When he reached the age of 14, his father told Aggie that he could no longer protect him from the Taliban, and that it was time to run.

Aggie had to leave. His father was unable to work, having taken a bullet in the leg for refusing to give up his son to the Taliban, who were constantly searching for young men to force into their ranks. Aggie's life was in danger, and his family needed money.

Join the Taliban, die, or flee. Despite the risk of flight, Aggie's family felt there was no choice but for him to go, so he was sent with a group of young people all fleeing for similar reasons. After a difficult and dangerous month, Aggie made it to Bulgaria. Not all of the group he left with made it.

At 14 years old, Aggie found himself in a refugee camp in a foreign country, with no family, having endured a long and traumatic journey, and not knowing what might come next.

What came next was one of the bouts of violence and rioting that were a feature of life in Bulgarian refugee camps at that time. Aggie was badly wounded, taking a serious blow to the head. Emergency intervention at hospital saved his life. He was moved to another camp, and after two years was given a new status and moved to a youth facility at an SOS Children's Village. In all this, progress has been difficult for Aggie. Although he was able to start on the path to Bulgarian citizenship, and he was getting involved with a cricket club, his schooling was interrupted, and he was still working to get to grips with the language. By the time he was due to leave SOS, he was not ready to live independently.

FSCI has a good working relationship with SOS, and we agreed that Aggie should join the House of Opportunity earlier this summer. He has a steady job at a restaurant and attends school regularly, which was never an option for him in Afghanistan. Aggie is determined and hardworking. His language skills are improving, he has a temporary passport, and he is now part of the Bulgarian National Cricket team!

Through all this, Aggie, maintains his purpose: To provide for his family back home. He worries about them continuously. The family moved from their village to Kabul in order get Aggie's brothers and sisters away from the Taliban, but work is no easier to find there, and now the Taliban have arrived in the capital and there is no place else to go. His young sisters will be married off soon, and Aggie cannot see a good outcome for his brothers. He can, at least, send his family some money, and this motivates him every day.

Teodora, FSCI Bulgaria's director tells us, *"Aggie is one of the lucky ones, he reached Bulgaria. With the support and care of colleagues from various services, as well as his gracious temper, purposefulness and diligence, Aggie has achieved a lot: he finished tenth grade, is working and helps his family financially. He is speaking well now, and of course, there is his cricket! Now he is part of the House of Opportunity family, we will help him as best we can, with all our heart".*

For Aggie, the House of Opportunity is a place he can continue to rest from all the running and build something good for himself. But he would still run home if he could.

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Looking forward, trustees continue to pursue an income generation strategy founded on local, place-based, project specific fundraising and relationship led engagement with potential high net worth donors. FSCI had to put on hold its pursuit of registration in Germany and its development of relationships with the European Commission in the post-Brexit world that FSCI (UK) now inhabits but plans to return to this agenda as capacity allows.

**2021/22**

The majority of FSCI's direct charitable activity was in Bulgaria. The rest is delivered through the FSCI Development Programme with its focus being practical replication of programmes developed by FSCI in Bulgaria in other Southeast European countries that face similar challenges to those that Bulgaria faces. Four of the five pilot Houses of Opportunity originally opened in 2015 and 2016, have continued to operate after the pilot period, almost entirely with new funding raised directly by the partner organisations and so too the Roma Kindergarten project in Albania. Additionally, capacity building work has established the foundations for sustainable extension by the partner organisations of the FSCI programmes in future years. The charity's partner network offers a proven route to increase in value and impact for beneficiaries.

Further details about both aspects of FSCI's work follow.

**Activity of FSCI Bulgaria**

**House of Opportunity Programme (HOP)**

- A programme developed in response to the problem of young care leavers and their vulnerability to human trafficking, criminals and extreme poverty.
- Provides residential support and personal development for young care leavers including education, employment support, relationship building, money management, domestic skills and good decision making. All with the purpose of getting them ready for independent living.
- Four Houses with up to six young people each in Sofia (x2), Burgas and Varna the latter two managed by local civil society organisations with a substantial degree of locally generated funding.
- One of these Houses, in Lyulin (Sofia), was supported by Experian, who covered the running costs to January 2021 and continue with their mentoring programme for HOP residents in Sofia.
- Other funding from FSCI (UK), and local businesses and volunteers.
- Notable increase in number of young people who have been assisted by the Programme in recovering lost school years to a point where they have been able to pass missed exams, graduate high school and secure university places. This feature changes the mix of programme participants where the pathway has tended to be to find employment whilst in FSCI's programme. We are adapting to the implications for ongoing support beyond the two years of the House of Opportunity Programme.

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*Related activity*

- Building capacity with regard to Bulgarian national policies on social integration of at-risk youth and marginalised communities, especially Roma.
- Increasing the quality of the HOP
- Excluded Youth Football Camp: HOP residents and FSCI Bulgaria staff and volunteers visit Boychinovtsi Youth Prison for a weekend of football, activities and workshops.

**Early Years Education Programme (EYEP)**

- The EYEP is designed to increase access to primary level education and beyond for marginalised children at high risk of falling into a life of poverty and exploitation.
- Based in Fakulteta, a large Roma community in Sofia.
- Focus is a kindergarten with up to 15 children a day benefitting.
- Community workers also support families to help keep the children attending.
- Relationships fostered with primary school outside of the community – children placed in these schools when the time is right. Support for families continues.
- After-school support for Primary-age children provided.
- Groups for teenagers in evenings/at weekends.
- Risk of Roma children in the programme falling outside of the education system greatly reduced with positive implications for their futures.

**FSCI Development Programme**

The Balkans is poorer than any other region of Europe. Many of the nations in that area face shared problems as a consequence of a long history of children being abandoned into state care, large closed communities of marginalised and very poor Roma people, low participation in education by children from those communities and high unemployment. These issues fuel crime and help explain why some of the countries in the region are major source countries for human trafficking and exploitation. The FSCI Development Programme is the out-working of a vision to take what has been achieved by the Foundation for Social Change and Inclusion (FSCI) in Bulgaria and replicate it in other Balkan countries. The central aspects of the FSCI Development Programme include:

- Codification of tried and tested projects, in a manual that can be shared with others, who can be trained to follow the manual and set up similar projects in their country, as part of a multinational programme.
- Careful identification and selection of partner organisations, in each country, that share a practical passion for poor and marginalised people and a strategic vision for their nation.
- Ongoing capacity building, to help those organisations to become more effective and impactful, increasing social change and inclusion across the region.

Under its Development Programme, FSCI is currently partnering with seven like-minded organisations in Southeast Europe. Providing a manual for work on its programmes, regular professional training, supervision, quality assurance and some financial support, FSCI is helping to successfully replicate the House Opportunity Programme (HOP), started in Bulgaria over 14 years ago.

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The following FSCI Houses of Opportunity were operated during 2021/22 by partner organisations:

- In Belgrade, Kragujevac and Niš, Serbia, operated by Centar Zvezda.
- In Varaždin, Croatia, operated by Hoću Život.
- In Elbasan, Albania, operated by A2B Albania.

The Houses of Opportunity funded by FSCI (UK):

- Belgrade, Kragujevac and Niš – FSCI has made a contribution to costs since May 2018.
- Varaždin – partially funded since January 2018
- Elbasan – FSCI makes a small contribution to running costs

FSCI (UK) provided financial, professional and mentoring support to the staff teams of the Houses of Opportunity through regular web-based supervision and training by FSCI's Social Work Department Manager and the Balkan's Coordinator as well as annual quality assurance visits by the former.

Our Albanian partner, A2B, also operated a children's centre in Peqin as part of the FSCI Early Years Education Programme. The main goal of the project is to prevent early school dropout, increase the rate at which Roma children successfully integrate into the Albanian education system and ensure the overall welfare of Roma children.

*Activities:*

- Preschool Education for 25 children (3-6 years old).
- Education for 20 children (6-10 years old) who have dropped out of school.
- Healthy meals (breakfast and lunch).
- Parents meetings – training about positive parenting; including child rights training, life skills, positive discipline, forms of abuse etc.

*Achievements:*

The pilot project showed that the Children's Centre made a real difference in the lives of these children, their parents and the wider community and led to positive results. These outcomes continue.

*Looking to the future*

Four of FSCI's partner organisations do not currently operate a House of Opportunity Programme because we have not yet raised sufficient funds. The Greek partners ran a day care centre for young people leaving homes for children deprived of parental care in Athens, while our partners in Macedonia and Moldova also work with vulnerable young people. Our partner in Bosnia Herzegovina continues to work with care leavers providing some residential support and training using learning they developed whilst operating an FSCI House of Opportunity.

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Regular web-based meetings by FSCI's CEO with leaders of the partner organisations ensure partnership development and capacity building. The impact of the Development Programme can be seen in many different ways. First of all, the House of Opportunity Programme has a very significant impact on the lives of its participants and can literally be lifesaving (physically and spiritually). Secondly, the local community feels the positive impact since the young people in the Houses are encouraged to volunteer regularly and help people in need. Thirdly, through FSCI's support we help partner organisations become more effective and impactful in their local communities. For instance, most Houses have very good relationships with the local government and media. Being part of the FSCI Development Programme has given our partner organisations a highly valuable opportunity to position themselves in a new light with wider society and with government.

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### **Case study: Centar Zvezda (Center Star), Serbia**

Centar Zvezda joined the FSCI Development Programme in 2015. It was a small Belgrade-based NGO run wholly by volunteers, working with young people coming out of care to support their ongoing education and development. Centar Zvezda opened Serbia's first House of Opportunity in Belgrade in the autumn of 2015. FSCI committed to fund the pilot project for two years and also to fund the salary of Tanya Drazilovic, the NGO's founder and director. Centar Zvezda opened a second House of Opportunity, in Nis, midway through 2016 and again FSCI committed two years of funding.

Both Houses of Opportunity continue to provide vulnerable young people, mainly care leavers, with a safe place to live, life skills and employability training and a supportive environment to complete their education or to engage in their first jobs. The costs of the House of Opportunity Programme are met from a number of sources, some international, and some local to Serbia, including businesses, Centar Zvezda's own social enterprise and the Serbian Food Bank. FSCI continues to fund the director's salary.

Raising awareness of the problems and risks faced by young people leaving care and the profile of the House of Opportunity Programme has been at the heart of Tanya's activities. With encouragement, training and support from FSCI, Tanya has developed positive relationships with media and with businesses in Serbia. This is beginning to present significant dividends. Several broadcast media outlets have featured the House of Opportunity Programme. Journalists have even referred young people in trouble. A powerful documentary broadcast on national TV led to a Swiss philanthropic foundation contacting Centar Zvezda and agreeing to buy a building for them for use as the House of Opportunity in Belgrade and as a base for their expanding operations.

Centar Zvezda's social enterprise makes crafts and is a means of connecting with businesses. One Christmas this resulted in a commission to make 800 beer mug candles for Heineken. Last summer Centar Zvezda opened its third House of Opportunity, in Kragujevac, with support from a local IT company, first year funding from Blackrock, and at the invitation of the city's social services. Its House of Opportunity in Belgrade is full, and its House of Opportunity in Nis is now part funded by the Nis municipality and SoS Children's Villages in recognition of Centar Zvezda's role in providing employability training for vulnerable young care leavers. FSCI's social work development manager in Sofia trained the new team in Kragujevac. He regularly provides case advice and support to Centar Zvezda helping them stay true to the operating manual. Reflecting on the connection and support from FSCI's team in Sofia, Tanya simply says "I really don't know how we could do without it".

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## **Financial Review**

The charity generated income of £463,085 (2020/21 - £175,374) and spent £363,895 (2020/21 - £191,976).

Fundraising has remained challenging. FSCI's approach to fundraising is to ensure as far as possible diversity in income streams. We are delighted that our place-based proposals for a wide-ranging resilience building programme centred on Moldova won support and offer a degree of multi-year security. This multi-year project provides FSCI with a strong backbone of sustained finance on which to build.

We continue to aim for a multi-country approach to generating funds and, having some experience of generating support for FSCI in both Germany and Switzerland, we still intend to register FSCI as a charity in Germany, a process which has been delayed by the Covid 19 crisis. Germany has a strong culture of philanthropy. Additionally, FSCI registration in Germany will enable FSCI to continue post Brexit to submit applications for EU grant funding where applicants from two member states are a minimum requirement.

Sustainability is important to FSCI. For this reason, we focus on capacity building within Bulgaria and with our partner organisations. We aim to generate an increasing proportion of the revenue required to sustain FSCI programmes locally, (Varna Municipality is a public sector example and Christian Broadcasting Network/Orphans' Promise which provides support towards the Houses of Opportunity in Serbia is a philanthropic example) enabling centrally generated funds to be applied primarily to the support of programme expansion and start up, to research and development, to the development programme and of course to essential core costs associated with a professional and high-quality organisation.

## **Reserves policy**

The trustees' policy is to manage its finances so as to achieve budget surpluses when it is reasonably able to, thereby building the strategic reserve until any target which trustees set from time to time is reached. Taking into account inflation pressures and other risk factors, the level of the reserve target will be regularly reviewed from time to time.

That said, FSCI is operating in a very challenging environment where the needs and their urgency have increased, but simultaneously, so too has the intensity of competition for philanthropic resources. During the year trustees applied for a government backed Bounce Back loan of £31,000 which was generally available as part of the government's response to Covid. Including the Bounce Back loan, at the year end the charity had negative reserves of £4,915 (2020/21 negative reserves of £104,105) all of which were unrestricted.

This financial trajectory illustrated in these accounts has its origins in decisions trustees took in 2018/19 to introduce funds, constituted as long-term interest free loans. Trustees took these decisions to avoid the unplanned disruption to beneficiaries which immediate reductions in expenditure would create and did so, having given reasonable consideration to known future funding and in the light of that consideration. The financial restructuring and recovery plan implemented during 2019/20 which involved some reductions in project expenditure and some redundancies included a loan repayment schedule starting in Q2 2020. Largely as a consequence of the impact of Covid, loan repayments did not begin when planned. However significant progress has now been made.



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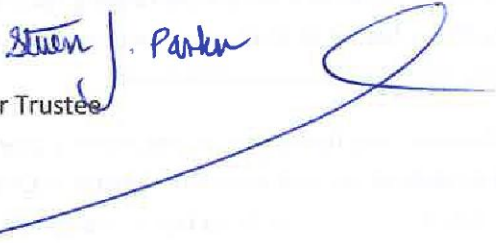
**FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees have adopted an updated long term financial plan which offers the prospect of long-term balanced budget sustainability.

Approved by the trustees on 11.1.23.....

and signed on their behalf by:

  
Steven Parker Trustee



**INDEPENDENT EXAMINERS' REPORT  
TO THE MEMBERS OF  
FSCI (UK)**

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I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2022 which are set out on pages 16 to 24.

**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').

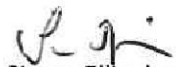
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**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:

- accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- 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.



Simon Ellingham FCA DChA

Fawcetts LLP Chartered Accountants

Windover House

St. Ann Street

Salisbury

SP1 2DR

Date: 17 January 2023

**FSCI (UK)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2022**

		<b>Funds</b>		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	2	387,247	-	387,247	128,467
Charitable activities	3	75,838	-	75,838	46,907
<b>Total income</b>		<b>463,085</b>	<b>-</b>	<b>463,085</b>	<b>175,374</b>
<b>EXPENDITURE ON:</b>					
Raising funds		3,132	-	3,132	1,920
Charitable activities	4	360,763	-	360,763	190,056
<b>Total expenditure</b>		<b>363,895</b>	<b>-</b>	<b>363,895</b>	<b>191,976</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>99,190</b>	<b>-</b>	<b>99,190</b>	<b>(16,602)</b>
Transfers between funds		-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>99,190</b>	<b>-</b>	<b>99,190</b>	<b>(16,602)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		(104,105)	-	(104,105)	(87,503)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(4,915)</b>	<b>-</b>	<b>(4,915)</b>	<b>(104,105)</b>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The notes form part of these accounts

**FSCI (UK)  
BALANCE SHEET**

**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>CURRENT ASSETS</b>			
Debtors	7	-	-
Cash at bank and in hand		52,713	25,692
		<u>52,713</u>	<u>25,692</u>
<b>CREDITORS: AMOUNTS DUE WITHIN ONE YEAR</b>	8	<u>(4,521)</u>	<u>(2,797)</u>
<b>NET CURRENT ASSETS</b>		48,192	22,895
<b>CREDITORS: AMOUNTS DUE AFTER ONE YEAR</b>	9	(53,107)	(127,000)
<b>NET ASSETS</b>		<u><u>(4,915)</u></u>	<u><u>(104,105)</u></u>
<b>FUNDS</b>			
Unrestricted funds	10	(4,915)	(104,105)
Restricted funds	10	-	-
<b>TOTAL FUNDS</b>	11	<u><u>(4,915)</u></u>	<u><u>(104,105)</u></u>

The financial statements were approved and authorised for issue by the Board of Trustees on 11.1.23 and were signed on its behalf by:

*Steven J. Parker*  
Steven Parker  
Trustee

The notes form part of these accounts

**FSCI (UK)**  
**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared on a going concern basis. The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt over the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the accounts. The charity has significantly reduced its dependence on the support of the trustees who are aware of known future funding and have indicated that they will introduce funds should they be required meanwhile to meet the charity's liabilities. The trustees therefore consider that the going concern basis is appropriate. The accounts do not contain any adjustments that might be necessary were the going concern basis to be no longer appropriate.

The Coronavirus outbreak has so far not had a material impact on this assessment and, based on their current knowledge, they do not expect it to do so going forward.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The significant accounting policies applied in the preparation of these accounts are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**1.2 INCOME**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The financial statements are prepared in Sterling (£) which is the functional currency of the charity.

**1.3 EXPENDITURE**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure includes attributable VAT which cannot be recovered.

Grants payable are payments made to third parties in furtherance of the charitable objects of the Charity. The grants are accounted for where the trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant.

**1.4 FUND ACCOUNTING**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund where allowable. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.5 FINANCIAL INSTRUMENTS**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Debtors are measured at their recoverable amount. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**FSCI (UK)**  
**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**1.6 TAXATION**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**2. Donations and legacies**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
General donations	207,416	-	207,416	85,108
Christmas Box Appeal donations	17,326	-	17,326	18,359
MDF - Moldova Development Fund	162,505	-	162,505	25,000
	<u>387,247</u>	<u>-</u>	<u>387,247</u>	<u>128,467</u>
<i>Total 2021</i>	<i>128,467</i>	<i>-</i>	<i>128,467</i>	

**3. CHARITABLE ACTIVITIES - INCOME**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
Grants	-	-	-	20,000
Gift aid	67,583	-	67,583	17,386
Other income	8,255	-	8,255	9,521
	<u>75,838</u>	<u>-</u>	<u>75,838</u>	<u>46,907</u>
<i>Total 2021</i>	<i>46,907</i>	<i>-</i>	<i>46,907</i>	

**4. CHARITABLE ACTIVITIES - EXPENDITURE**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
Project expenses	3,983	-	3,983	3,028
Wages and salaries (note 5)	50,938	-	50,938	37,738
Accountancy and Independent Examination fees	1,500	-	1,500	1,355
Grants to partner organisations	266,092	-	266,092	139,300
Insurance	1,780	-	1,780	1,801
IT software and office consumables	1,641	-	1,641	1,641
Motor vehicle expenses	2,528	-	2,528	1,704
Postage and carriage	11,603	-	11,603	636
Rent	2,575	-	2,575	2,810
Telephone and internet	42	-	42	43
International travel	2,934	-	2,934	-
Direct expenses	6,150	-	6,150	-
Bank fees	13	-	13	-
Consulting	2,000	-	2,000	-
Subscriptions	15	-	15	-
Returns	6,969	-	6,969	-
	<u>360,763</u>	<u>-</u>	<u>360,763</u>	<u>190,056</u>
<i>Total 2021</i>	<i>190,056</i>	<i>-</i>	<i>190,056</i>	

**FSCI (UK)**  
**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

The grants to partner organisations represents £10,252 (2021 - £4,500) paid to A2B (Albania), £101,532 (2021 - £nil) paid to Beginning of Life Moldova (Moldova), £18,529 (2021 - £20,925) paid to Center Star (Serbia), £123,540 (2021 - £101,400) paid to FSCI Bulgaria (Bulgaria), and £12,239 (2021 - £12,475) to Hocu Zivot (Croatia)

**5. STAFF COSTS**

Staff costs during the year were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Charitable Activities:</b>		
Salaries and wages	49,252	35,757
Pension contributions	1,686	1,981
	<u>50,938</u>	<u>37,738</u>

The above also represents the key management personnel remuneration.

The average monthly number of employees during the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Project management	<u>2</u>	<u>1</u>

There were no employees who earned in excess of £60,000 per annum or more (including taxable benefits) during the year.

**6. TRUSTEES' REMUNERATION AND RELATED PARTY TRANSACTIONS**

None of the trustees received any remuneration or reimbursement of expenses in respect of their duties as trustees during the year.

As at 31 March 2022 the charity owed £25,000 to its trustees and key management personnel for interest free loans (2021: £96,000).

During the year 2 trustees made donations to the charity totalling £84,998.

There were no other related party transactions during the year.

**7. DEBTORS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other debtors	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**FSCI (UK)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

<b>8. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	979	1,004
Social security and other taxes	3,542	1,793
	<u>4,521</u>	<u>2,797</u>
<b>9. CREDITORS: AMOUNTS DUE AFTER ONE YEAR</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other loans	53,107	127,000
	<u>53,107</u>	<u>127,000</u>
Other loan repayments:	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Less than 1 year	-	-
Between 2 and 5 years	25,000	127,000
In 5 years or more	28,107	-
	<u>53,107</u>	<u>127,000</u>

£25,000 of the loans are interest free with no fixed repayment terms, the remaining £28,107 is repayable over 5 years with an interest rate of 2.5%.

FSCI (UK)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2022

**10. FUNDS**

	Balance b/fwd	Incoming resources	Outgoing resources	Transfers	Balance c/fwd
<b>Restricted funds</b>					
Salary Funding (Serbia director)	-			-	-
	-	-	-	-	-
<b>Unrestricted funds</b>					
General fund	(104,105)	463,085	(363,895)	-	(4,915)
<b>Total funds</b>	<b>(104,105)</b>	<b>463,085</b>	<b>(363,895)</b>	<b>-</b>	<b>(4,915)</b>

Comparative statement of funds for the period ended 31 March 2021:

	Balance b/fwd	Incoming resources	Outgoing resources	Transfers	Balance c/fwd
<b>Restricted funds</b>					
Salary Funding (Serbia director)	-			-	-
	-	-	-	-	-
<b>Unrestricted funds</b>					
General fund	(87,503)	175,374	(191,976)	-	(104,105)
<b>Total funds</b>	<b>(87,503)</b>	<b>175,374</b>	<b>(191,976)</b>	<b>-</b>	<b>(104,105)</b>

**Restricted funds:**

**Salary Funding**

Donations received in for the purpose of paying salaries.

**General fund:**

This represents funds which have been accumulated for the general purposes of the charity.



**FSCI (UK)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**11. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Net current assets £	Total £
Restricted funds	-	-
Unrestricted general funds	(4,915)	(4,915)
	<u>(4,915)</u>	<u>(4,915)</u>
<b>Net Assets at the end of the year</b>	<b><u>(4,915)</u></b>	<b><u>(4,915)</u></b>

Comparative statement of net assets between funds for the period ended 31 March 2021:

	Net current assets £	Total £
Restricted funds	-	-
Unrestricted general funds	(104,105)	(104,105)
	<u>(104,105)</u>	<u>(104,105)</u>
<b>Net Assets at the end of the year</b>	<b><u>(104,105)</u></b>	<b><u>(104,105)</u></b>

FSCI (UK)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2022

**12. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021**

	Funds		2021
	Unrestricted	Restricted	Total
	£	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations and legacies	128,467	-	128,467
Charitable activities	46,907	-	46,907
<b>Total income</b>	<b>175,374</b>	<b>-</b>	<b>175,374</b>
<b>EXPENDITURE ON:</b>			
Raising funds	1,920	-	1,920
Charitable activities	190,056	-	190,056
<b>Total expenditure</b>	<b>191,976</b>	<b>-</b>	<b>191,976</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(16,602)</b>	<b>-</b>	<b>(16,602)</b>
Transfers between funds	-	-	-
<b>NET MOVEMENT IN FUNDS</b>	<b>(16,602)</b>	<b>-</b>	<b>(16,602)</b>
<b>RECONCILIATION OF FUNDS:</b>			
Total funds brought forward	(87,503)	-	(87,503)
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>(104,105)</b>	<b>-</b>	<b>(104,105)</b>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.