

FSCI (UK)

A Charitable Incorporated Organisation

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

Charity number: 1170914

CIO number: CE009486

FSCI (UK)
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FOR THE YEAR ENDED 31 MARCH 2024

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FSCI (UK)
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 MARCH 2024

Charity Number	1170914
Charitable Incorporated Number	CE009486
Registered Office	St Paul's Church Fisherton Street Salisbury Wiltshire SP2 7QW
Trustees	Bernard Bentley Ray Flux Steven Parker Elizabeth Pollard
Key management	Chris Mould (Chief Executive) Richard Parsons (Operations Manager)
Bankers	Santander 53 Silver Street Salisbury SP1 2NG
Independent examiner	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 2024

The trustees present their annual report together with the financial statements of FSCI (UK) for the period ended 31 March 2024. 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 seventh accounting period for the 12-month period to 31 March 2024.

FSCI (UK) also trades as House of Opportunity and 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.

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 sixteen years the House of Opportunity Programme has supported 273 young Bulgarians and 221 young people outside of Bulgaria. This year FSCI provided four Houses of Opportunity in Bulgaria and six 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 2023/24 FSCI ran kindergartens in Fakulteta, Bulgaria, and Peqin, Albania and an Early Child Development Centre in Chisinau, Moldova. Over 400 children benefitted and at least 300 mothers.

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 four of them we ran six Houses of Opportunity in Serbia, Croatia, Albania and Moldova and Early Years Education Programmes in Albania and Moldova during 2023/24. 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.

Other activities 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.

FSCI's achievements and performance 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 2023/24 included ten FSCI project staff in Bulgaria, two staff and an (unpaid) chief executive in the UK and eighteen project staff and twenty-five regular volunteers in FSCI partner organisations. We also benefited from the support of over 300 volunteers in the UK.

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.

Achievements and Performance

Overview

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

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 under our Building Resilience in Vulnerable Communities Project.

The charity maintained its project portfolio throughout the year providing a full range of services to its beneficiaries.

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

Valerija's BIG summer

Valerija was 17 when she joined the House in early 2019, having endured years of abuse from her mother, brother and sister. Instead of taking good care of Valerija, they used her cerebral palsy as an excuse to keep her at home doing basic chores, and physically abused her continuously, making her life a misery. She described it as a "life of tears".

Valerija did not allow any of this to hold her back once she found her new home at the House of Opportunity though. She graduated high school in summer 2019 and enrolled for university. After years of hard work, Valerija gained her degree in Croatian Language and Literature and Pedagogy and attended the graduation ceremony with members of the House of Opportunity team at Osijek University in June 2023.

One of her goals reached, Valerija took another big step, as she graduated from the programme in July. The time was right for her to move on.

Valerija has an apartment, but her big summer was about to get bigger still, because she has also gotten a husband, himself a former House resident!

Goran was separated from his sister when they were both put into care. After many difficult years Goran joined the House of Opportunity in January 2016. His sister came to join him that April, and they were reunited after years apart. Goran worked hard and graduated from the House of Opportunity in 2018. He had a steady job and a place to live. He remained involved with the House and its residents though, happy to give something back and help others who had been through a similar experience to himself. Perhaps the arrival of a certain girl in 2019 gave him another reason to stay close and keep working hard...

Goran and Valerija got married on 15 July 2023, and the happy event has become one of the high points in the 16-year history of the House of Opportunity Programme. We are so delighted for them. To see these two young people making a future together with hope and determination shows how with a little love, care and support, even those who have suffered terribly can have every reason to believe that life can and will be better.

And once again Valerija finds herself in tears. But now she is crying with joy.

Ukrainian Refugee Crisis

The war in Ukraine became a serious issue for FSCI in 2022 when the influx of thousands of refugees demanded the attention of our partners in Moldova and to a lesser extent in Bulgaria and Croatia. 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. FSCI funded a response team in Moldova, with a logistics co-ordinator and three social workers, provided direct humanitarian aid to refugees housed temporarily in their thousands on Bulgaria's Black Sea coast and some bespoke support to refugees coming into Croatia through Hungary. The Moldovan team continued to provide valuable services in collaboration with the Moldovan government and a wide range of community-based NGOs.

Christmas Shoe Box appeal 2023

After the challenges presented by Covid the charity conducted a review of the project with its local partners and concluded that the value to highly needy beneficiaries and to the community-based NGOs that engage with them justified continuation of the project. Maintaining the volume of shoe boxes has been difficult and we have seen reductions year on year in the three years since Covid.

However, the appeal this year still reached over 7,200 people throughout Bulgaria and spread a lot of joy. It was well supported by volunteers in the UK.

Some numbers in brief:

- 6,879 boxes
- 83 schools, 35 churches involved in UK.
- UK sorting and packing depot provided by River Bourne Community Farm, Salisbury
- 60+ organisations/institutions/NGOs/community groups received boxes.

2023/24

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.

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.
- 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. We are adapting to the implications for ongoing support beyond the two years of the House of Opportunity Programme.

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.
- Risk of Roma children in the programme falling outside of the education system greatly reduced with positive implications for their futures. All graduates of Fakulteta kindergarten have remained in education. Drop-out rate for Roma runs at 50 percent before the age of 11.

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 outworking 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 15 years ago.

The following FSCI Houses of Opportunity were operated during 2023/24 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.
- In Comrat, Moldova operated by Beginning of Life.

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.

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:

Evaluation of the 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.

Our Moldovan partner, Beginning of Life, also operated an Early Years Child Development Centre in Chisinau, as part of the FSCI Early Years Education Programme. The main goal of the project is to promote healthy child development, to equip vulnerable parents and to prevent early school dropout.

Activities:

- Preschool Education for children between 3 and 6 (over 250 reached during the year)
- Parenting classes for mothers: training about positive parenting; including child rights training, life skills, positive discipline, forms of abuse etc. (over 250 mothers reached)

Achievements:

Evaluation of the 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.

Here is a story from Moldova to show what's at stake.

No place to grow - Christina & Sofia

Sofia was three months old when the fighting in Ukraine started. She and her mother Christina were forced to flee their home in Eastern Ukraine. Christina had not even received birth documents for her daughter when they set out.

As they moved from place to place and from refugee camp to refugee camp over the next few months, Christina kept her daughter very close. The camps were no place for an infant. Every day there was the challenge to find the appropriate food, the crush of so many children and women looking for a share of limited resources, and a lack of safe spaces to let children just be children. Sofia was not developing in the normal way. She wasn't rolling over, then she wasn't crawling, or pulling herself up. Christina was holding her close to keep her baby protected, but Sofia wasn't growing. Christina was getting more and more distressed.

Mother and daughter made it to Moldova, but the lack of documentation for Sofia was a serious problem. The Ukrainian region in which she was born had become disputed territory, and nobody could say who was really in charge there, or for how long. There was no Local Authority which could be appealed to in order to sort out the paperwork. Christina couldn't register her child. The Moldovan authorities were threatening to take Sofia away.

Not long after Sofia's first birthday, Christina was welcomed to the Early Years Child Development Centre run by House of Opportunity partners, Beginning of Life. The team made Christina welcome and began a dialogue with the relevant Moldovan authorities on her and Sofia's behalf. The war goes on, and there is no way to get documents from home, so resolution may take a long time.

Christina is not on her own though, and she is feeling a lot more upbeat now that she has support from the Beginning of Life team. Things are more settled after the interminable months of searching for a place safe enough for her child. She has been able to bring Sofia to the Centre to join in with other young mums from Ukraine who find themselves in similar circumstances. There is fellowship in their shared trials. And at the Centre Christina can play with Sofia, and Sofia has some time and space with her mum and other children to be normal at last. Some space to stretch. Some place to grow.

Financial Review

The charity generated income of £453K (2022/3 £386K) and spent £401K (2022/23 £444K).

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. This has offered 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 2021/22 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 £11K (2022/23 £63K) all of which were unrestricted.

The charity's financial history 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. Largely as a consequence of the impact of Covid, loan repayments did not begin when planned. However significant progress was made in 2022/23 and in the current financial year.

Approved by the trustees on 18 January 2025

and signed on their behalf by:


Steven Parker Trustee

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

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2024 which are set out on pages 11 to 18.

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 J Ellingham

Simon Ellingham FCA DChA
Fawcetts LLP Chartered Accountants
Windover House
St. Ann Street
Salisbury
SP1 2DR

Date: 20 January 2025.....

FSCI (UK)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

		Funds		2024	2023
		Unrestricted	Restricted	Total	Total
	Note	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	336,169	-	336,169	309,528
Charitable activities	3	116,510	-	116,510	76,706
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		452,679	-	452,679	386,234
EXPENDITURE ON:					
Raising funds		5,033	-	5,033	7,734
Charitable activities	4	395,842	-	395,842	436,435
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		400,875	-	400,875	444,169
NET INCOME/(EXPENDITURE)		51,804	-	51,804	(57,935)
Transfers between funds		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS		51,804	-	51,804	(57,935)
RECONCILIATION OF FUNDS:					
Total funds brought forward		(62,850)	-	(62,850)	(4,915)
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		(11,046)	-	(11,046)	(62,850)

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 2024

	Note	2024 £	2023 £
CURRENT ASSETS			
Cash at bank and in hand		34,337	2,502
		34,337	2,502
CREDITORS: AMOUNTS DUE WITHIN ONE YEAR	7	(12,270)	(14,377)
NET CURRENT ASSETS		22,067	(11,875)
CREDITORS: AMOUNTS DUE AFTER ONE YEAR	8	(33,113)	(50,975)
NET ASSETS		<u>(11,046)</u>	<u>(62,850)</u>
FUNDS			
Unrestricted funds	9	(11,046)	(62,850)
Restricted funds	9	-	-
TOTAL FUNDS	10	<u>(11,046)</u>	<u>(62,850)</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 18 January 2025 and were signed on its behalf by:


Steven Parker
Trustee

The notes form part of these accounts

FSCI (UK)
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

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 up to £50,000 should they be required 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 left the charity with a large liability in the form of a bounce back loan received, this continues to be repaid in line with the agreement in place with the lender.

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 2024

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

	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
General donations	140,830	-	140,830	120,389
Christmas Box Appeal donations	17,339	-	17,339	16,639
MDF - Moldova Development Fund	178,000	-	178,000	172,500
	<u>336,169</u>	<u>-</u>	<u>336,169</u>	<u>309,528</u>
<i>Total 2023</i>	<i>309,528</i>	<i>-</i>	<i>309,528</i>	

3. CHARITABLE ACTIVITIES - INCOME

	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Grants	95,000	-	95,000	29,000
Gift aid	20,429	-	20,429	45,688
Other income	1,081	-	1,081	2,018
	<u>116,510</u>	<u>-</u>	<u>116,510</u>	<u>76,706</u>
<i>Total 2023</i>	<i>76,706</i>	<i>-</i>	<i>76,706</i>	

4. CHARITABLE ACTIVITIES - EXPENDITURE

	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Project expenses	40	-	40	81
Wages and salaries (note 5)	56,026	-	56,026	64,164
Accountancy and Independent Examination fees	694	-	694	1,479
Grants to partner organisations	317,379	-	317,379	344,026
Insurance	1,918	-	1,918	1,854
IT software and office consumables	2,526	-	2,526	1,927
Motor vehicle expenses	1,827	-	1,827	2,756
Postage and carriage	5,070	-	5,070	4,941
Rent	2,300	-	2,300	2,760
Telephone and internet	72	-	72	72
International travel	6,608	-	6,608	8,372
Bank fees	105	-	105	69
Consulting	-	-	-	3,000
Returns	45	-	45	-
Loan interest	501	-	501	934
Charitable donations	150	-	150	
Miscellaneous purchases	581	-	581	
	<u>395,842</u>	<u>-</u>	<u>395,842</u>	<u>436,435</u>
<i>Total 2023</i>	<i>436,435</i>	<i>-</i>	<i>436,435</i>	

FSCI (UK)
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

The grants to partner organisations represents £26,358 (2023 - £18,293) paid to A2B (Albania), £146,344 (2023 - £142,613) paid to Beginning of Life Moldova (Moldova), £25,587 (2023 - £24,611) paid to Center Star (Serbia), £107,080 (2023 - £143,715) paid to FSCI Bulgaria (Bulgaria), and £12,010 (2023 - £14,793) to Hocu Zivot (Croatia)

5. STAFF COSTS

Staff costs during the year were as follows:

	2024	2023
	£	£
Charitable Activities:		
Salaries and wages	55,286	63,424
Pension contributions	740	740
	<u>56,026</u>	<u>64,164</u>

The above also represents the key management personnel remuneration.

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

	2024	2023
	No.	No.
Project management	<u>2</u>	<u>2</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 2024 the charity owed £20,000 to its trustees and key management personnel for interest free loans (2023: £35,000).

During the year 4 trustees made donations to the charity totalling £17,123 (2023: 3 - £7,299).

There were no other related party transactions during the year.

7. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2024	2023
	£	£
Accruals and deferred income	945	895
Social security and other taxes	5,099	7,256
Loans	6,226	6,226
	<u>12,270</u>	<u>14,377</u>

FSCI (UK)
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

8. CREDITORS: AMOUNTS DUE AFTER ONE YEAR	2024	2023
	£	£
Other loans	33,113	50,975
	<u>33,113</u>	<u>50,975</u>
 Other loan repayments:	 2024	 2023
	£	£
Less than 1 year	-	-
Between 2 and 5 years	33,113	35,000
In 5 years or more	-	15,975
	<u>33,113</u>	<u>50,975</u>

£20,000 of the loans are interest free with no fixed repayment terms, the remaining £13,103 is repayable over 4 years with an interest rate of 2.5%.

9. FUNDS	Balance b/fwd	Incoming resources	Outgoing resources	Transfers	Balance c/fwd
Unrestricted funds					
General fund	(62,850)	452,679	(400,875)	-	(11,046)
	<u>(62,850)</u>	<u>452,679</u>	<u>(400,875)</u>	<u>-</u>	<u>(11,046)</u>
Total funds	<u>(62,850)</u>	<u>452,679</u>	<u>(400,875)</u>	<u>-</u>	<u>(11,046)</u>

Comparative statement of funds for the period ended 31 March 2023:

	Balance b/fwd	Incoming resources	Outgoing resources	Transfers	Balance c/fwd
Restricted funds					
Salary Funding	-			-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unrestricted funds					
General fund	(4,915)	386,234	(444,169)	-	(62,850)
	<u>(4,915)</u>	<u>386,234</u>	<u>(444,169)</u>	<u>-</u>	<u>(62,850)</u>
Total funds	<u>(4,915)</u>	<u>386,234</u>	<u>(444,169)</u>	<u>-</u>	<u>(62,850)</u>

Unrestricted funds

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 2024

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Net current assets £	Total £
Restricted funds	-	-
Unrestricted general funds	(11,046)	(11,046)
	<u>(11,046)</u>	<u>(11,046)</u>
Net Assets at the end of the year	<u>(11,046)</u>	<u>(11,046)</u>

Comparative statement of net assets between funds for the period ended 31 March 2023:

	Net current assets £	Total £
Restricted funds	-	-
Unrestricted general funds	(62,850)	(62,850)
	<u>(62,850)</u>	<u>(62,850)</u>
Net Assets at the end of the year	<u>(62,850)</u>	<u>(62,850)</u>

FSCI (UK)
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

11. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Funds		2023
	Unrestricted	Restricted	Total
	£	£	£
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	309,528	-	309,528
Charitable activities	76,706	-	76,706
Total income	386,234	-	386,234
EXPENDITURE ON:			
Raising funds	7,734	-	7,734
Charitable activities	436,435	-	436,435
Total expenditure	444,169	-	444,169
NET INCOME/(EXPENDITURE)	(57,935)	-	(57,935)
Transfers between funds	-	-	-
NET MOVEMENT IN FUNDS	(57,935)	-	(57,935)
RECONCILIATION OF FUNDS:			
Total funds brought forward	(4,915)	-	(4,915)
TOTAL FUNDS CARRIED FORWARD	(62,850)	-	(62,850)

All of the above results are derived from continuing activities.

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