

**CHILD HEALTH INTERNATIONAL
A COMPANY LIMITED BY GUARANTEE**

**Directors' and Trustees' Report and Accounts
for the year ended 31 July 2014**

Company No. 02733511

**CHILD HEALTH INTERNATIONAL
A COMPANY LIMITED BY GUARANTEE**

Company Information

PATRON	Rosie Barnes OBE
PRESIDENT	Chris Rolles
DIRECTORS/TRUSTEES	Michael Ridgway Lucy Catherine Dowson Richard Foulsham (resigned 12/11/14) Ronald Henry James Hopwood (Chairman) Dr Julian Peter Legg Philip David Penton (appointed 29/1/14) Frederick William Salmond David Sawyer (resigned 2/10/13) Stephen James Todd Laura Timms (appointed 12/3/14) Kathryn Jane Toms (appointed 4/9/14)
SECRETARY	Frederick William Salmond (appointed 29/1/14) David Sawyer (resigned 29/1/14)
REGISTERED OFFICE	22 Little Hayes Lane Itchen Abbas Winchester SO21 1XA
COMPANY REGISTRATION NUMBER	02733511
REGISTERED CHARITY NUMBER	1014734

**CHILD HEALTH INTERNATIONAL
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**CHILD HEALTH INTERNATIONAL
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Directors' and Trustees' Report for the year ended 31 July 2014

The Directors and Trustees present their report and the accounts for the year ended 31 July 2014.

Structure and Governance

The company is a registered charity and a company limited by guarantee. It was incorporated on 22nd July 1992 and registered as a charity on 13th October 1992. Its governing document is the Articles of Association adopted by special resolution dated 18th September 2013. In the event of the Company being wound up members are required to contribute an amount not exceeding £10.

The Directors of the Company are also Trustees for the purposes of charity law. All Directors give their time voluntarily and receive no remuneration from the Company. Vacant Trustee positions are generally advertised and appointments are made by the Board after interview by one or more Directors. Appointments are made with due regard to the specific skills needed by the Company at the time of recruitment (for example medical, legal, fundraising, financial etc).

The Company takes due regard of the guidance on public benefit published by the Charity Commission. Support is normally offered through public health services available to all in the countries in which the Company operates.

Objectives and Activities

Child Health International is a registered charity, whose activity primarily concentrates on improving standards of healthcare by charitable means, principally in relation to the treatment of children in countries in central and eastern Europe who suffer from Cystic Fibrosis (CF). The Charity's first project was in Russia, where the CF healthcare system was transformed between 1994 and 1998. Subsequently CHI has worked in Ukraine, Belarus, the Baltic States, Moldova, Albania and Bulgaria.

We concentrate on CF because very good results can be achieved at low cost by getting the simple things "right", e.g. by keeping careful records of weight, height and lung function and then educating affected families and relevant medical professionals to provide regular, appropriate physiotherapy and a good diet for the child with CF.

Our key strategic objectives for 2012-2015 are:

Projects

- Develop a project plan, targets and exit strategy for each country where we work.
- Provide the resources and commitment to maintain and manage projects to achieve agreed targets.
- Develop and implement new projects as the opportunity arises, with a clear commitment to follow-through for at least 3 years.
- Develop closer practical working arrangements with CF Europe.
- Be more flexible in the use of health professionals other than doctors.

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Fundraising

- Keep a viable fundraising strategy under continuous review to ensure income is always greater than proposed project expenditure.
- Maintain frequency and range of communication about work and achievements.
- Recruit additional regular donations, add to the database of supporters and make more use of the contacts we have.
- Develop relationships with commercial organisations without compromising independence or values.

Organisation

- Ensure CHI keeps abreast of latest developments in CF and Charity management.
- Adapt as necessary to handle the planned increased project load efficiently.
- Ensure administration and governance costs remain below 15% of income.

Achievements and Performance 2013/14

The past year has seen CHI expand its activities considerably, albeit more slowly than we hoped. We are now working with three paediatric and two adult CF teams in three UK hospitals, and have experimented with using recently retired specialists. This has enabled us to start work in two new countries, resume work in two more where we had not been active for some time and start exploring a possible return to Russia. Meanwhile the long-running program in Lithuania had a rest year before a full team visit in late 2014 and we maintain contact with the CF teams in two further countries.

During the year we welcomed three groups of medical staff for training in the UK and sent two teams on exploratory visits abroad which will lead to further training in the future.

In November 2013 our Medical Adviser and Project Manager made an exploratory visit to Bulgaria where they met representatives from the four hospitals treating CF patients and agreed plans for further cooperation. A follow-up training visit took place in March 2015. The visit was financially supported and coordinated by the local office of Abbott Laboratories.

We resumed contact with CF teams in Latvia and Estonia after long delays due to the availability of UK specialists. In March a retired CF consultant from Birmingham and a CHI Project Manager met the CF team in Riga and the local parents association. Together they are working on a proposal for a neo-natal screening trial. In April the heads of the CF units in Tartu and Tallinn spent a week at the Noah's Ark Children's Hospital for Wales, in Cardiff, a new venue for CHI.

Also in April we sent a team from the Adult CF Centre in Southampton University Hospital on a fact-finding visit to the Adult Cystic Fibrosis Unit Sismanoglio in Athens, following a request from patients' representatives at the CFE conference in Belgrade. Follow-up was delayed by the sad death of one of the doctors involved but two young doctors visited Southampton for training in the second half of 2014.

A doctor and a physiotherapist from the National Children's Hospital in Serbia visited

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Southampton Children's Hospital for a week in May following discussions at the CFE conference in Belgrade. Feedback was excellent and we expect further collaboration in future.

A planned visit to Vilnius to promote the 'multi-disciplinary team' approach to CF care was postponed until October 2014.

A common conclusion from these and earlier visits is the urgent need to improve dietary advice to parents; we plan to develop a training workshop focused on local eating habits and available foods which will be offered in different countries in local languages.

Following visits to CF conferences in St Petersburg and Moscow during the previous financial year the new head of CF care in Moscow spent a week at the Royal Brompton Hospital Adult CF Unit assisted by a CHI interpreter. During a second visit, our Chairman met with her and the heads of both Adult and Paediatric CF care at RBH to review prospects for a three year partnership programme between RBH and Russian CF. A distance learning program and training visits are under discussion with the first visits expected in early 2015. We are hopeful that a Russian charitable trust will fund much of this work.

We also maintained contact with CF teams in Albania and Moldova, offering support via e-mail and Skype.

Our Chairman attended the CF Europe South Eastern Europe conference in Belgrade in October 2013 and made a brief presentation about the work of the charity. This led to new and improved contacts with parents' associations and medical teams in the region. He also attended the CFE annual meeting in Gothenburg in June 2014 to promote cooperation between the two organisations.

The work in Albania, Bulgaria and Serbia was supported by an unrestricted grant from Gilead Sciences Europe Ltd.

Governance Matters

The Board met six times during the year. In addition we held a General Meeting of members in September 2013 at which revised Articles of Association were approved.

In response to a request from our insurers the board agreed that Risk Assessments would be carried out before all overseas visits.

David Sawyer resigned from the board in September 2013 but continued as Company Secretary until January 2014 when Bill Salmond took on the role.

The trustees were delighted to welcome Phil Penton and Laura Timms to the board in January and March 2014 respectively. More recently in November 2014 Rick Foulsham, a longstanding Trustee, resigned, while in September Katy Toms joined us as a Trustee.

Financial Review

Income in 2013/14 was significantly lower than in the previous year, mainly because of the

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grant from Gilead in 2012/13, but fundraising was also lower. A strong cash position prevented any impact on charitable activities in the year. We had active projects in eight countries during the year but project expenditure was 25% lower at £8,003. Governance costs were 31% lower at £1,008. There was an overall deficit of £2,295 but with strong cash resources we remain in an excellent position to continue and to expand our activities in the future.

Reserves Policy

All the funds of the Company are unrestricted. Reserves are used to meet the expenditure requirements of the charity in meeting its objectives. The Trustees consider the level of reserves at the end of the year to be adequate for its needs in the year ahead. They provide a measure of comfort to enable the charity's activities to continue in the event of a shortfall of donations and/or fundraising.

Website

A visit to our website is recommended for more information about Child Health International - www.childhealthinternational.org

This report was approved by the board 26 March 2015 and signed on its behalf.

RHJ Hopwood
Chairman of Trustees

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**Statement of Financial Activities
for the year ended 31 July 2014**

	Notes	<u>2014</u> £	<u>2013</u> £
INCOMING RESOURCES			
Incoming resources from generated funds			
Donations and grants		4,881	12,063
Activities for generating funds		1,422	1,138
Investment income		413	222
Total incoming resources	2	<u>6,716</u>	<u>13,423</u>
RESOURCES EXPENDED			
Costs of generating funds			
Fundraising		-	5
Charitable activities		8,003	10,665
Governance costs		1,008	1,454
Total resources expended		<u>9,011</u>	<u>12,124</u>
Net income/(expenditure)		(2,295)	1,299
RECONCILIATION OF FUNDS			
Total funds brought forward		27,265	25,966
Total funds carried forward		<u>24,970</u>	<u>27,265</u>

None of the charity's activities were acquired or disposed of in the year under review or the preceding year.

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

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**Balance Sheet
as at 31 July 2014**

	Notes	<u>2014</u> £	<u>2013</u> £
Current Assets			
Debtors	5	1,059	1,165
Cash at bank and in hand		<u>23,961</u>	<u>26,186</u>
		<u>25,020</u>	<u>27,351</u>
Current Liabilities			
Creditors: Amounts falling due within one year	6	(50)	(86)
Total Assets less Current Liabilities		<u>24,970</u>	<u>27,265</u>
Unrestricted Funds			
General funds		24,970	27,265
Total Charity Funds		<u>24,970</u>	<u>27,265</u>

For the year ending 31st July 2014 the Company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The members have not required the Company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 26 March 2015
and signed on their behalf by

RHJ Hopwood
Chairman

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**Notes to the accounts
for the year ended 31 July 2014**

1 Principal Accounting Policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with both the Financial Reporting Standard for Smaller Entities effective April 2008 and the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 2005.

1.2 Fund accounting

All funds are unrestricted and available for use at the discretion of the directors in furtherance of the general objectives of the charity.

1.3 Incoming resources

Incoming resources are included in the statement of financial activities when the Company is entitled to the income and the amount can be quantified with reasonable accuracy.

Donated services are disclosed where the value is readily available or capable of reasonable estimation.

1.4 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered.

1.5 Taxation

The company is a registered charity and all of its activities fall within the exemptions afforded to charities under taxation legislation. No charge to taxation therefore arises.

2 Turnover

The incoming resources of £6,716 (2013: £13,423) were related entirely to the company's charitable work.

The 2014 figure includes £920 (2013: 2,040) of donated services in terms of travel, accommodation and conference arrangements from Abbott. This figure is estimated.

Services and time provided free of charge by medical professionals are not included in this figure.

3 Employees

The company had no employees in this or the preceding year.

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for the year ended 31 July 2014**

4 Related party transactions

No directors received any remuneration during the year. Two (2013: three) directors received £1,276 (2013: £2,534) by way of reimbursement of travel, accommodation and other costs incurred on behalf of the company during the period.

5 Debtors

	<u>2014</u>	<u>2013</u>
	£	£
Accrued income (gift aid)	420	760
Prepayments	287	300
Other	352	105
	1,059	1,165

6 Creditors

	<u>2014</u>	<u>2013</u>
	£	£
Amounts falling due within one year:		
Accruals	50	86
	50	86