

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

**Directors' and Trustees' Report and Accounts
for the year ended 31 July 2017**

Company No. 02733511

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

Company Information

PATRON	Rosie Barnes OBE
PRESIDENT	Chris Rolles
DIRECTORS/TRUSTEES	Michael Ridgway Ronald Henry James Hopwood (Chairman) Christopher Michael Hyde (appointed 4 April 2017, resigned 5 September 2017) Dr Julian Peter Legg Philip David Penton Frederick William Salmond Prof Brandon Taylor Laura Timms Stephen James Todd (resigned 7 February 2017)
SECRETARY	Frederick William Salmond
REGISTERED OFFICE	22 Little Hayes Lane Itchen Abbas Winchester SO21 1XA
COMPANY REGISTRATION NUMBER	02733511
REGISTERED CHARITY NUMBER	1014734

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

Contents

	Page
Directors' and Trustees' Report for the year ended 31 July 2017	1
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Accounts	7

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

Directors' and Trustees' Report for the year ended 31 July 2017

The Directors and Trustees present their report and the accounts for the year ended 31 July 2017.

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). New Trustees are provided with copies of "The Essential Trustee" (published by the Charity Commission), CHI's "Strategic Vision, Mission, Values and Objectives" document, which are reviewed during an informal discussion of trustees' responsibilities and those of the specific appointee. New trustees are also briefed on the charity's Memorandum and Articles of Association, decision-making processes and recent financial performance.

The Board of Trustees takes all major strategic and financial decisions and meets three or four terms a year. Operational decisions on individual projects are taken by individual Project Managers who report to the Board.

The Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to 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 also worked in Ukraine, Belarus, the Baltic States, Moldova, Albania, Bulgaria, and Greece.

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 2016 to 2019 are:

Projects

- Develop project plans based on opportunities and resources available, with clear objectives and evaluation for each activity.
- Develop a process to quantify project outcomes.

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

Directors' and Trustees' Report of the year ended 31 July 2017 (continued)

- Provide the resources and commitment to maintain and manage projects to support the agreed program – recruit at least one new project manager.
- Maintain contact with CF Europe and restore connection with CF Trust. Explore possible cooperation with other charities and local organisations.
- Develop training packages in nutrition and physiotherapy which can be used directly with parents' associations.

Fundraising

- Keep fundraising strategy under continuous review to ensure expected income for the current year plus cash balances are sufficient to support
- current year projects and maintain cash reserves equivalent to the previous year's total expenditure.
- Recruit additional regular donors, update the database of supporters removing inactive names and make more use of the live contacts.
- Develop our presence on social media and produce two email newsletters per year.
- Maintain and develop relationships with Abbott Laboratories and Winchester College.
- Approach other companies and trusts when justified by successful expenditure.

Organisation

- Ensure CHI keeps abreast of latest developments in CF and Charity management.
- Recruit at least one new trustee, an Honorary Secretary and a potential new Chair.

Achievements and Performance 2016/17

Our activities continued to evolve in response to changing needs and opportunities. Support for the adult CF team in Athens continued to strengthen while work in Bulgaria and Estonia resumed after long delays. A new development was growing interest in organisational, as opposed to narrowly medical, support such as the introduction of neo-natal screening in Latvia, departmental organisation in Athens and possible development of a patient register in Bulgaria. Meanwhile expected requests for support to Russian clinics outside Moscow did not materialise and we agreed that the service in Lithuania no longer needed our help. Overall the number of active projects reduced from 7 to 4 with three likely to continue next year, which is in line with our aim to focus on fewer interventions while ensuring that each is big enough to make a real difference. However, we encourage UK specialists to continue to provide remote advice and support to overseas colleagues via e-mail and Skype.

Following our visit to Latvia the previous year the authorities have announced a plan to introduce neonatal screening for CF. In October a team of CF specialists from Latvia visited the Birmingham Children's Hospital to observe screening techniques and discuss what was needed to introduce them. A paediatrician, a nurse and a physiotherapist each spent time with their professional opposite numbers and with the screening team.

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

Directors' and Trustees' Report of the year ended 31 July 2017 (continued)

In April the director of the Southampton adult CF team together with, a specialist nurse, a dietitian and a physiotherapist from the team made a further visit to the Athens adult CF unit. As well as seeing some patients they gave advice on improving the organisation, such as appointing a secretary and delegating repeat prescriptions to family doctors to free up specialist medical time for essential patient contact. As a follow-up to this visit, a community physiotherapist funded by the CF Patients' Association spent three weeks with the adult and paediatric CF teams in Southampton to study and practise the techniques used.

Also in April two teams, each consisting of a paediatrician, a dietician and a physiotherapist from Tartu and Tallinn, the two CF clinics in Estonia, visited the Children's Hospital for Wales in Cardiff. They observed the multi-disciplinary team in action, spent time with their opposite numbers and

attended a satellite clinic in Swansea – an organisational approach which could bring great benefits to patients who do not live near one of the major centres.

In June, four doctors from Varna, one of the leading CF centres in Bulgaria, visited the paediatric team in Southampton to observe the multi-disciplinary team in action and attend several specialist seminars. Discussions on a proposal to support the development of a patient register are ongoing.

Meanwhile, we established a presence on Facebook and relaunched a brighter, more modern website in January to support a fundraising and recruitment drive in the year ahead.

Governance Matters

The Board met four times during the year to monitor activities and approve proposed expenditure. Chris Hyde joined as a Trustee during the year, but due to personal circumstances has subsequently resigned. Stephen Todd, who has been a Trustee for many years and contributed hugely, particularly in terms of running the website, resigned during the year.

Financial Report

Income at £8,161 was 55% higher than in 2015/16, mainly due to the kind support of Winchester College Music Department and a generous donation of travel and accommodation costs from the Abbott office in Bulgaria. Laurie Ridgway raised £1,652 by running a marathon again this year, for which the charity is very grateful.

Expenditure at £15,217 was 47% higher than in 2015/16, reflecting a very active year for projects in Greece, Bulgaria, Latvia and Estonia. Governance and support costs remained low at £686, 8.4% of income (2015/16 9.9%).

The cash position at the end of the year was £21,206. While this provides a satisfactory base for the charity to continue its work in the near term, the continued high level of expenditure compared to income means that the charity must now look to increasing its fundraising activities in order to achieve its long term ambitions.

Reserves Policy

All the funds of the Charity are unrestricted. Reserves are used to fund 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

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

Directors' and Trustees' Report of the year ended 31 July 2017 (continued)

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 on 17th October 2017 and signed on its behalf.

RHJ Hopwood
Chairman of Trustees

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

**Statement of Financial Activities
Incorporating Income and Expenditure Account**

All restricted and unrestricted funds

	Notes	2017	2016
		£	£
INCOME FROM:			
Donations	2.1	4,787	3,589
Charitable activities	2.2	3,042	1,233
Investments	3	332	439
Total		<u>8,161</u>	<u>5,261</u>
EXPENDITURE ON:			
Raising funds	4 & 5	75	434
Charitable activities	4 & 5	15,142	9,925
Total resources expended		<u>15,217</u>	<u>10,359</u>
Net income/(expenditure)		(7,056)	(5,098)
RECONCILIATION OF FUNDS:			
Total funds brought forward		28,008	33,106
Total funds carried forward		<u>20,952</u>	<u>28,008</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.

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

**Balance Sheet
as at 31 July 2017**

	Notes	<u>2017</u>	<u>2016</u>
		£	£
Current Assets			
Debtors	8	1,046	1,096
Cash at bank and in hand		<u>21,206</u>	<u>28,962</u>
Total current assets		22,252	30,058
Current Liabilities			
Creditors: Amounts falling due within one year	9	(1,300)	(2,050)
Total Net Assets		<u>20,952</u>	<u>28,008</u>
The Funds of the Charity			
Unrestricted funds		20,952	28,008
Total Charity Funds		<u>20,952</u>	<u>28,008</u>

For the year ending 31st July 2017 the Company was entitled to exemption 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 Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the Board on 17th October 2017
and signed on their behalf by

RHJ Hopwood
Chairman

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

**Notes to the accounts
for the year ended 31 July 2017**

1 Principal Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with UK Financial Reporting Standard 102, the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 (Charities SORP (FRS 102)), and the Companies Act 2006.

1.2 Going Concern Basis

The Trustees are of the view that the charity has sufficient funds to cover at least the next 12 to 18 months and therefore the charity is a going concern.

1.3 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.

1.4 Income

Income is 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.

1.5 Expenditure

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

1.6 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.

1.7 Debtors

Trade and other debtors are recognized at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and deposit accounts with maturity of less than 6 months.

1.9 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event

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

**Notes to the accounts
for the year ended 31 July 2017**

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 are normally recognised after allowing for any trade discounts due.

2 Income

2.1 Donations

	2017	2016
	£	£
Donations in cash	3,402	3,589
Donated services	<u>1,385</u>	<u>0</u>
Total	<u>4,787</u>	<u>3,589</u>

The 2017 figure includes an estimated £1,385 (2016: nil) of donated services in terms of travel and accommodation from Abbott in Bulgaria. Services and time provided free of charge by medical professionals are not included in these figures.

2.2 Charitable Activities

	2017	2016
	£	£
Sponsored Marathon	1,652	1,218
Concert	1,355	0
Online retailer platform	<u>35</u>	<u>15</u>
Total	<u>3,042</u>	<u>1,233</u>

3 Investment Income

The charity's investment income arises from money held in interest bearing deposit accounts.

4 Analysis of Expenditure on Charitable Activities

	Support costs	Governance costs	Total 2017	Total 2016
	£	£	£	£
Insurance	381	0	381	363
Conferences, training	30	0	30	30
Meetings	220	0	220	0
Other	0	55	55	126
Totals	<u>631</u>	<u>55</u>	<u>686</u>	<u>519</u>

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

**Notes to the accounts
for the year ended 31 July 2017 (continued)**

5 Analysis of Resources Expended by Expenditure Type

	Support costs	Governance costs	Total 2017	Total 2016
	£	£	£	£
Fundraising costs	75	0	75	413
Direct project costs	14,456	0	14,456	9,427
Support costs	631	0	631	393
Governance costs	0	55	55	126
Totals	<u>15,162</u>	<u>55</u>	<u>15,217</u>	<u>10,359</u>

Support and governance costs are apportioned pro rata to direct project costs and fundraising costs where they cannot be allocated directly.

6 Employees

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

7 Related party transactions

No directors received any remuneration during the year. Two (2017: two) directors received £6,885 (2016: £3,884) by way of reimbursement of travel and accommodation and related costs for medical professionals and themselves incurred during project work and incurred on behalf of the company during the period.

8 Debtors

	2017	2016
	£	£
Debtors (gift aid)	475	455
Accrued income	243	321
Prepayments	328	320
	<u>1,046</u>	<u>1,096</u>

9 Creditors

	2017	2016
	£	£
Amounts falling due within one year:		
Accruals	1,300	2,050
	<u>1,300</u>	<u>2,050</u>