

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

**Directors' and Trustees' Report and Accounts  
for the year ended 31 July 2018**

**Company No. 02733511**

## Company Information

<b>PATRON</b>	Rosie Barnes OBE (resigned January 2018)
<b>PRESIDENT</b>	Chris Rolles
<b>DIRECTORS/TRUSTEES</b>	Michael Ridgway Ronald Henry James Hopwood (Chairman) Dr Julian Peter Legg Philip David Penton Frederick William Salmond (resigned 15 February 2018) Prof Brandon Taylor (resigned 15 July 2018) Laura Timms Patrick Michael O'Grady (appointed 15 February 2018) Dr Mary Carroll (appointed 31 March 2018)
<b>SECRETARY</b>	Patrick Michael O'Grady (appointed 15 February 2018)
<b>REGISTERED OFFICE</b>	18 Woodlands Close Dibden Purlieu Southampton SO45 4JG
<b>COMPANY REGISTRATION NUMBER</b>	02733511
<b>REGISTERED CHARITY NUMBER</b>	1014734

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### **Directors' and Trustees' Report for the year ended 31 July 2018**

The Directors and Trustees present their report and the accounts for the year ended 31 July 2018.

### **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 times a year. Operational decisions on specific 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 and young people with Cystic Fibrosis (CF) in countries in central and eastern Europe. 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 and 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.

**Directors' and Trustees' Report of the year ended 31 July 2018 (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 and to ensure that cash balances are sufficient to support current year projects, also to maintain cash reserves equivalent to the previous year's total expenditure.
- Recruit additional regular donors, update the database of supporters and remove 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, and a potential new Chair.

## **Achievements and Performance 2017/18**

This was a relatively quiet year following a burst of activity in the last few weeks of the previous financial year.

Our program of frequent short visits to Athens to monitor progress and raise awareness together with longer visits to Southampton by their personnel for training continues to work well. As part of this, a community physiotherapist funded by the patients' association came to Southampton for 3 weeks training with both the adult and paediatric CF teams. The head of the Southampton adult CF team and a newly appointed consultant attended a conference in Athens which was organised by the parents' association in Greece. A microbiologist from Athens visited Southampton in May to study techniques for identifying infections prevalent in CF patients and the choice of best antibiotics to use in combating these.

Our trustee and medical adviser, from the Southampton paediatric team, attended the CF Europe conference in Bulgaria along with the head of the European CF Registry to encourage Bulgarian medical teams to set up a patient registry which would allow them to monitor child growth and lung function more effectively. Plans are now being developed for a launch next year.

Whenever we work with an overseas CF team we encourage the development of a long term relationship between them and the UK team. Support and advice can then

be given by Skype or e-mail or through individual visits at no cost to the charity. This year saw ongoing support to the CF teams in Russia, Moldova and Estonia as well as Greece and Bulgaria.

### **Governance Matters**

The Board met three times during the year to monitor activities and approve proposed expenditure (the planned July meeting slipped into early August and thus the subsequent financial year). Bill Salmond, director and company secretary, resigned in anticipation of a move out of the area. Paddy O'Grady was elected to replace him. Professor Brandon Taylor resigned from the board on being elected chairman of another charity.

### **Financial Report**

Income at £4,095 was close to 50% lower than in 2016/17, mainly due to the lack of substantial and extraordinary fund raising events as was the case in the previous financial year.

Expenditure at £5,254 was correspondingly 65% lower than 2016/17, mainly due to the projects in Estonia and Latvia being largely completed and that in Bulgaria being less active during this year. The project in Greece was active and some of those costs were borne by participants and other institutions. Governance and support costs continue to remain low at £645, slightly less than in 2016/17.

The cash position at the end of the year was £19,659. This provides a sound base for the charity to continue its work during the coming year but the continued situation of expenditure exceeding income means that the charity must now look to further means of fundraising to be able to achieve its longer 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. The reserves enable the charity to maintain a good base to continue its activities in the short to medium term at current levels of expenditure and in the event of a shortfall of donations and if fundraising continues to provide a challenge.

### **Website**

A visit to our website is recommended for more information about Child Health International - [www.childhealthinternational.org](http://www.childhealthinternational.org)

This report was approved by the board on 16<sup>th</sup> October 2018 and signed on its behalf.

RHJ Hopwood  
Chairman of Trustees

**Directors' and Trustees' Report of the year ended 31 July 2018 (continued)**

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

**All restricted and unrestricted funds**

	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
<b>INCOME FROM:</b>			
Donations (including Gift Aid)	2.1	3,214	4,787
Charitable activities	2.2	642	3,042
Investments	3	239	332
<b>Total</b>		<u>4,095</u>	<u>8,161</u>
<b>EXPENDITURE ON:</b>			
Administrative costs	4 & 5	545	686
Raising funds	4 & 5	0	75
Charitable activities	4 & 5	4,709	14,456
		<u>5,254</u>	<u>15,217</u>
<b>Total resources expended</b>			
<b>Net income/(expenditure)</b>		(1,159)	(7,056)
<b>RECONCILIATION OF FUNDS:</b>			
<b>Total funds brought forward</b>		20,952	28,008
<b>Total funds carried forward</b>		<u>19,792</u>	<u>20,952</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.

**Balance Sheet  
as at 31 July 2018**

	<b>Notes</b>	<b><u>2018</u></b> £	<b><u>2017</u></b> £
<b>Current Assets</b>			
Debtors	8	605	1,046
Cash at bank and in hand		<u>19,659</u>	<u>21,206</u>
Total current assets		20,264	22,252
<b>Current Liabilities</b>			
Creditors: Amounts falling due within one year	9	(472)	(1,300)
<b>Total Net Assets</b>		<u>19,792</u>	<u>20,952</u>
<b>The Funds of the Charity</b>			
Unrestricted funds		19,792	20,952
<b>Total Charity Funds</b>		<u>19,792</u>	<u>20,952</u>

For the year ending 31st July 2018 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 16<sup>th</sup> October 2018  
and signed on their behalf by



**RHJ Hopwood**  
**Chairman**

## Notes to the accounts

### 1 Principal Accounting Policies

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with 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

## Notes to the accounts for the year ended 31 July 2018

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

	2018 £	2017 £
Donations in cash	3,214	3,402
Donated services	<u>0</u>	<u>1,385</u>
Total	<u>3,214</u>	<u>4,787</u>

Services and time provided free of charge by medical professionals are not included in these figures.

#### 2.2 Charitable Activities

	2018 £	2017 £
Sponsored Marathon	100	1,652
Lion Walk (2017) Concert (2016)	200	1,355
Online retailer platform	<u>341</u>	<u>35</u>
Total	<u>642</u>	<u>3,042</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 2018 £	Total 2017 £
Insurance	389	0	389	381
Conferences, training	0	0	0	30
Meetings	113	0	113	220
Statutory:Charity Commission	0	13	13	0
Donation	<u>30</u>	<u>0</u>	<u>30</u>	<u>55</u>
Totals	<u>532</u>	<u>13</u>	<u>545</u>	<u>686</u>

Notes to the accounts  
for the year ended 31 July 2018 (continued)

## 5 Analysis of Resources Expended by Expenditure Type

	Support costs £	Governance costs £	Total 2018 £	Total 2017 £
Fundraising costs	0	0	0	75
Direct project costs	4,709	0	4,709	14,456
Support costs	532	0	532	631
Governance costs	0	13	13	55
Totals	<u>5,241</u>	<u>13</u>	<u>5,254</u>	<u>15,217</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 directors received £1,261 (2017: £6,885) 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

	<u>2018</u> £	<u>2017</u> £
Debtors (gift aid)	420	475
Accrued income	185	243
Prepayments	0	328
	<u>605</u>	<u>1,046</u>

## 9 Creditors

	<u>2018</u> £	<u>2017</u> £
Amounts falling due within one year:		
Accruals	472	1,300
	<u>472</u>	<u>1,300</u>