

Company registration number: 06674427

Charity registration number: 1126212



Child's i Foundation

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2016

Wortham Jaques Limited
130a High Street
Crediton
Devon
EX17 3LQ

Child's i Foundation

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Child's i Foundation

Reference and Administrative Details

Chief Executive Officer	Lucy Buck
Trustees	Astrid Berkman (appointed 6 September 2016) Linzi Blakey (appointed 25 April 2017) Andrea Bonafe Alastair Bruce, Chair Dorthe Bucknell (resigned 25 April 2017) Jennifer Geary (appointed 25 January 2017) Simon Goodworth Madeleine Harding Joanna Ralling Richard Sved
Principal Office	Abbots Rift Monastery Gardens Rotherfield Crowborough Sussex TN6 3NB
Registered Office	Abbots Rift Monastery Gardens Rotherfield Crowborough Sussex TN6 3NB
Company Registration Number	06674427
Charity Registration Number	1126212
Bankers	Charities Aid Foundation 25 Kings Hill Avenue West Malling Kent ME19 4TA
Independent examiner	Wortham Jaques Limited 130a High Street Credton Devon EX17 3LQ

Child's i Foundation

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2016.

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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

1 Background information

1.1 Directors and Trustees

The trustees constitute directors of the charitable company for the purposes of the Companies Act 2006 and trustees of the charity for the purposes of the Charities Act 2011. Details of the trustees (who, for the purposes of company law are the directors of the company) during the year and up to the date this report was signed are set out on page 1.

1.2 Structure, Governance and Management

Child's i Foundation is a UK registered charity (number 1126212) and company limited by guarantee (number 06674427). The charitable company is governed by its Memorandum and Articles of Association. Application of income of the charitable company is limited to the promotion of its objects. Child's i Foundation operates in Uganda through a Ugandan registered NGO, registration number S.5914/8381, which is a separate legal entity. In order to provide the best overview of the operations of the charity these financial statements consolidate the results of the Ugandan and UK entities.

1.3 Recruitment, Appointment and Induction of Trustees

The minimum number of trustees is three with no maximum. Potential new trustees are identified by the board for the particular skills, knowledge or experience they can bring to enhance the board's skill set and there is no minimum or maximum length of term.

The induction of new trustees involves: attendance at one or more meeting as an observer prior to co-option, provision of recent minutes, financial reports and other relevant materials and close liaison with the charity and other trustees.

1.4 Organisational Structure and Decision Making

The trustees meet six times a year when they consider the strategic direction and governance of Child's i Foundation. The charity is managed on a day-to-day basis by our Chief Executive Officer who is responsible to the Board. Throughout 2016, the Chief Executive Officer was supported in Uganda by a team of skilled staff who implemented the programmes.

1.5 Public benefit

The aims and benefits of Child's i Foundation are contained within the main body of this report on pages 3 to 5. We have considered the key principles of the Charity Commission's general guidance about public benefit and have concluded that Child's i Foundation meets all the requirements.

1.6 Risk Assessment

Child's i Foundation's Register of Risks is updated quarterly. The trustees have assessed the risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Child's i Foundation

Trustees' Report

2. Vision

Our vision is that every child in Uganda can grow up in the care of a loving family.

2.1 Objectives, purposes and activities

In Uganda, there are an estimated 50,000 children growing up in orphanages despite the fact that 80% have families. Child's i Foundation is working to decrease the number of children in orphanages by providing programmes in prevention services and family support, tracing and reunification and fostering and adoption. CiF provides social work training to Government officers, social workers, para social workers and volunteers working with children and families. Our communications and advocacy team promote families and produce powerful videos which contribute to the global movement for the elimination of orphanages.

2.2 Achievements and performance

CiF provided technical training to Government social workers, para-social workers, childcare institutions and police across 12 districts of Uganda to support the safe transition of children as part of the De-Institutionalisation of Orphans and Vulnerable Children in Uganda (DOVCU) programme funded by USAID / ChildFund.

CiF established District Panels in 8 districts to support the Government to provide oversight of the safe transition of children from orphanages into families.

CiF has been appointed as the case management partner for a global research project, Keeping Children in Healthy and Protective Families (KCHPF), which is a randomised control research study funded by USAID. Over two and a half years, we aim to re-integrate 655 children currently in orphanages with their families.

CiF is launching a system reform pilot in the district of Tororo with Hope and Homes for Children with the aim of building the capacity of the district authorities to provide care and protection for children without appropriate care without relying on orphanages. The initial phase focused on engaging orphanage managers and staff, sub district and parish level authorities and national government.

CiF is continuing to run a successful national adoption campaign on behalf of the Government, "Ugandans Adopt", and reaching over 2000 community members across 8 districts to encourage families to not place their children in orphanages.

CiF is contributing, alongside other agencies in Uganda, to changes in the Children Act to prioritise domestic adoption.

CiF is supporting the Ministry of Gender, Labour and Social Development to develop the National Action Plan on Alternative Care. CiF is providing technical input and facilitating a costing workshop to present the plan to the Ministry of Finance.

CiF is developing a comprehensive new five-year strategic plan to help us realise our vision that one day, in a Uganda free of orphanages, every child will grow up in a safe and loving family.

CiF hosted a regional meeting of 14 organisations across 7 countries in Africa, all committed to eliminating orphanages. The result of this meeting was the beginning of Transform Alliance Africa, an alliance of NGO's with the shared vision of an Africa, free of institutions.

2.3 2017 future plans

In 2017 CiF will be operationalising a new 5-year strategy. Our focus will be on building organisational capacity in the UK and Uganda to achieve our 5-year goal of creating the conditions necessary to achieve a tipping point whereby Uganda is committed to the elimination of orphanages.

Child's i Foundation

Trustees' Report

3. Role played by volunteers

CiF has enjoyed the services of an experienced Operations Manager since October 2016 and of two TV producers from the UK who have supported our communications department. The trustees wish to express their gratitude to supporters who have given so freely of their time and expertise.

4. Relationship to other organisations

Ministry of Gender, Labour and Social Development is the line ministry responsible for children and youth. We have a Memorandum of Understanding with the Ministry.

ChildFund are the lead partner for the De-Institutionalisation of Vulnerable Children in Uganda (DOVCU) programme funded by the United States Agency for International Development (USAID)

Catholic Relief Service (CRS) is the lead partner for the Keeping Children in Healthy and Protective Families project

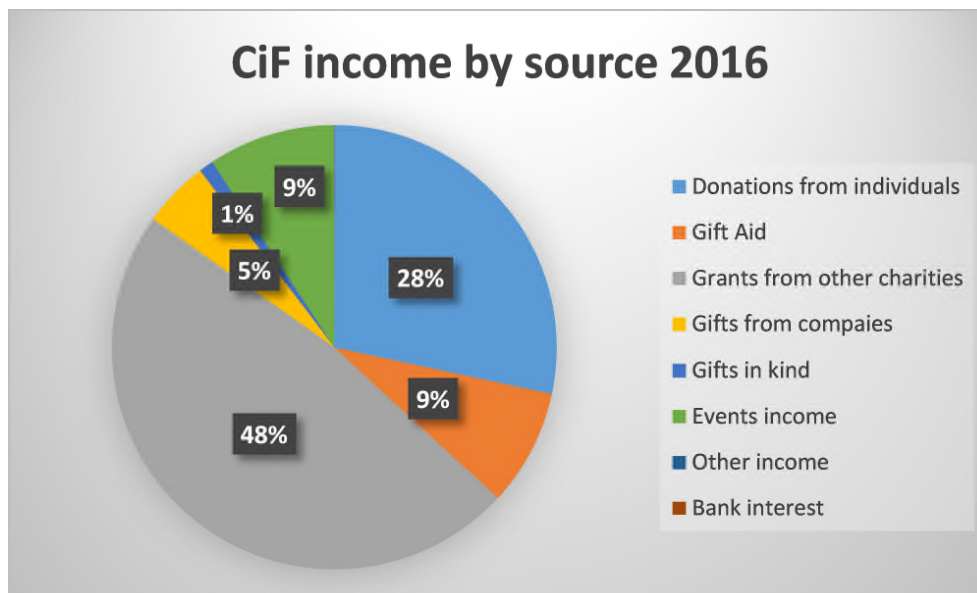
Hope and Homes for Children are our partners who are supporting CiF in setting up the system reform pilot in Tororo.

5 Financial review

Child's i Foundation opened the year with funds of £124,981, of which £13,093 related to unspent restricted funds from 2015.

5.1 Income

During the year, Child's i Foundation recognised income of £558,637 (2015: £620,333), from the sources shown below. The reduction relates to the completion of the Strong Beginnings Programme in December 2015.



In 2016, 60% of income was unrestricted (2015: 45%)

Child's i Foundation

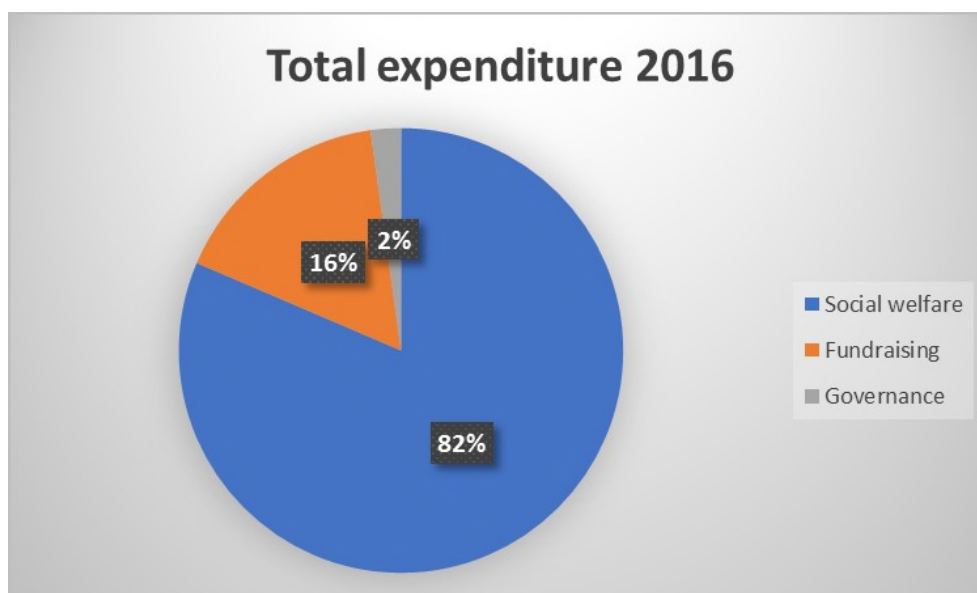
Trustees' Report

5.2 Expenditure

During 2016, £541,466 (2015: £623,578) was expended, of which 82% (2015: 86%) was on our social purpose activities, comprising social work, looking after children, training & research, advocacy, de-institutionalisation and programme management, with the balance on fundraising and governance costs.

Out of the total spent on social purpose activities, 75% was spent on direct costs, and 25% on indirect costs (2015: 65% direct, 20% sub-grants and 15% indirect). The indirect costs include finance and operations, human resources management and insurance. The increase in indirect cost % reflects a reduction in total programme expenditure, added capacity in finance department from July 2015, and other increases to operations, human resources and administration which have been necessary in order to prepare for doubling of staff and opening of 3 new district offices required for the USAID 'Keeping Children in Health and Protective Families' grant starting in 2017.

While we constantly strive to keep our core overhead costs to a minimum we believe that appropriate investment in these support services is critical to the achievement of our overall organisational goals.



5.3 Movement on funds

The net income on all funds for the year was £17,171 (2015: net expenditure £3,245), being unrestricted deficit of £7,792 and a restricted surplus of £24,963.

5.4 Financial position

Childs' i Foundation closed the year with funds of £142,152, of which £104,096 was unrestricted, and £38,056 restricted. The net assets those funds represent were fixed assets held for social purposes of £4,694, cash and bank balances of £98,162, receivables and stock of £61,503 less liabilities of £22,207.

Child's i Foundation

Trustees' Report

6 Reserves

The organisation's reserves policy is to aim to hold 3 - 6 months' worth of unrestricted expenditure in general reserves, meaning unrestricted funds excluding those tied up in fixed assets. The purpose of holding such reserves is to provide buffer funding in the event of a temporary fall in income, and to cover the costs of orderly, child-safe closure if necessary. The general reserves as at 31 December 2016 were £99,402 and average monthly expenditure from unrestricted funds during the year was £28,667 implying that the organisation held 3.4 months' worth of expenditure in general reserves.

7 Ethical income policy

We do not accept any gifts or payments from prospective adoptive or foster care parents, so as to retain our independence and objectivity during the assessment and placement of children with families.

8 Statement of Trustees' Responsibilities

The trustees (who are also the directors of Child's i Foundation for the purposes of company law) are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the Charity on and signed on its behalf by:

.....
Alastair Bruce, Chair
Trustee

.....
Simon Goodworth
Trustee

Child's i Foundation

Independent Examiner's Report to the trustees of Child's i Foundation

I report on the accounts of the Charity for the year ended 31 December 2016 which are set out on pages 9 to 22 .

Your attention is drawn to the fact that the Charity has prepared the Financial Statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me a reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Child's i Foundation

Independent Examiner's Report to the trustees of Child's i Foundation

.....
David Wortham BA FCA

Wortham Jaques Limited
130a High Street
Crediton
Devon
EX17 3LQ

Date:.....

Child's i Foundation

Statement of Financial Activities for the Year Ended 31 December 2016 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2016 £
Income and Endowments from:				
Donations and legacies	2	284,560	222,430	506,990
Other trading activities	3	51,515	-	51,515
Investment income	4	132	-	132
Total Income		<u>336,207</u>	<u>222,430</u>	<u>558,637</u>
Expenditure on:				
Raising funds	5	(44,239)	(41,515)	(85,754)
Charitable activities	6	(299,760)	(155,952)	(455,712)
Total Expenditure		<u>(343,999)</u>	<u>(197,467)</u>	<u>(541,466)</u>
Net (expenditure)/income		<u>(7,792)</u>	<u>24,963</u>	<u>17,171</u>
Net movement in funds		(7,792)	24,963	17,171
Reconciliation of funds				
Total funds brought forward		<u>111,888</u>	<u>13,093</u>	<u>124,981</u>
Total funds carried forward	18	<u>104,096</u>	<u>38,056</u>	<u>142,152</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2015 £
Income and Endowments from:				
Donations and legacies	2	214,296	342,778	557,074
Other trading activities	3	62,299	-	62,299
Investment income	4	960	-	960
Total Income		<u>277,555</u>	<u>342,778</u>	<u>620,333</u>
Expenditure on:				
Raising funds	5	(32,894)	(39,892)	(72,786)
Charitable activities	6	(209,729)	(341,063)	(550,792)
Total Expenditure		<u>(242,623)</u>	<u>(380,955)</u>	<u>(623,578)</u>
Net income/(expenditure)		34,932	(38,177)	(3,245)
Transfers between funds		(14,984)	14,984	-
Net movement in funds		19,948	(23,193)	(3,245)
Reconciliation of funds				
Total funds brought forward		<u>91,940</u>	<u>36,286</u>	<u>128,226</u>
Total funds carried forward	18	<u>111,888</u>	<u>13,093</u>	<u>124,981</u>

These financial statements consolidate the UK operations of the charity with those in Uganda (which are registered as an NGO in that country).

All of the Charity's activities derive from continuing operations during the above two periods.

Child's i Foundation

(Registration number: 06674427)

Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	13	4,694	13,600
Current assets			
Stocks	14	1,016	-
Debtors	15	60,487	23,436
Cash at bank and in hand		98,162	98,120
		<u>159,665</u>	<u>121,556</u>
Creditors: Amounts falling due within one year	16	<u>(22,207)</u>	<u>(10,175)</u>
Net current assets		<u>137,458</u>	<u>111,381</u>
Net assets		<u>142,152</u>	<u>124,981</u>
Funds of the Charity:			
Restricted income funds		38,056	13,093
Unrestricted income funds			
Unrestricted income funds		<u>104,096</u>	<u>111,888</u>
Total funds	18	<u>142,152</u>	<u>124,981</u>

For the financial year ending 31 December 2016 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- 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.

These financial statements consolidate the UK operations of the charity with those in Uganda (which are registered as an NGO in that country).

The financial statements on pages 9 to 22 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Alastair Bruce
Trustee

.....
Simon Goodworth
Trustee

Child's i Foundation

Statement of Cash Flows for the Year Ended 31 December 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash income/(expenditure)		17,171	(3,245)
Adjustments to cash flows from non-cash items			
Depreciation	5	5,313	6,745
Investment income	4	(132)	(960)
Loss on disposal of fixed assets held for the charity's own use	8	5,860	379
		28,212	2,919
Working capital adjustments			
Increase in stocks	14	(1,016)	-
Increase in debtors	15	(37,051)	(8,477)
Increase in creditors	16	12,032	8,585
Net cash flows from operating activities		2,177	3,027
Cash flows from investing activities			
Interest receivable and similar income	4	132	960
Purchase of tangible fixed assets	13	(2,751)	(10,264)
Sale of tangible fixed assets		484	(969)
Net cash flows from investing activities		(2,135)	(10,273)
Net increase/(decrease) in cash and cash equivalents		42	(7,246)
Cash and cash equivalents at 1 January		98,120	105,366
Cash and cash equivalents at 31 December		98,162	98,120

All of the cash flows are derived from continuing operations during the above two periods.

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the UK operations of the charity with those in Uganda (which are registered as an NGO in that country).

Child's i Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Voluntary income including donations, gifts and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income derived from events is recognised as earned (that is, as the related goods or services are provided).

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gifts in kind

Gifts in kind donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them. Gifts in kind of fixed assets are capitalised and written off in accordance with the depreciation policy below.

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

Gift aid

Incoming resources from tax reclaims are included in the statement of financial activities in the period in which they are received.

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Equipment	33.33% on the straight line basis
Computers	33.33% on the straight line basis

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

Motor vehicles	25% on the straight line basis
Furniture	20% on the straight line basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the statement of financial activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Income from donations and legacies

	Unrestricted funds		Total 2016	Total 2015
	General £	Restricted funds £	£	£
Donations and legacies;				
Donations from individuals	129,577	28,681	158,258	255,461
Gift aid reclaimed	30,638	16,912	47,550	21,887
Grants, including capital grants;				
Grants from other charities	91,200	176,837	268,037	254,855
Grants from companies	27,146	-	27,146	24,403
Gifts in kind	5,916	-	5,916	468
Other income from donations and legacies	83	-	83	-
	<u>284,560</u>	<u>222,430</u>	<u>506,990</u>	<u>557,074</u>

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

3 Income from other trading activities

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Events income;			
Other events income	51,515	51,515	62,096
Property rental income	-	-	203
	51,515	51,515	62,299

4 Investment income

	Unrestricted funds	Total 2016	Total 2015
	General £	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	132	132	960

5 Expenditure on raising funds

Costs of generating donations and legacies

		Unrestricted funds		Total 2016	Total 2015
	Note	General £	Restricted funds £	£	£
Direct costs		30,287	41,515	71,802	72,396
Indirect costs		13,952	-	13,952	390
		44,239	41,515	85,754	72,786

6 Expenditure on charitable activities

	Activity undertaken directly	Total 2016	Total 2015
	£	£	£
Charitable activities	455,712	455,712	550,792

£299,760 (2015 - £209,729) of the above expenditure was attributable to unrestricted funds and £155,952 (2015 - £341,063) to restricted funds.

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Restricted funds	Total 2016	Total 2015
	General £	£	£	£
Audit fees				
Audit of the financial statements	2,472	57	2,529	2,252
Independent Examiner's remuneration	1,678	-	1,678	7,269
Legal fees in Uganda	10,013	-	10,013	4,870
	14,163	57	14,220	14,391

8 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2016 £	2015 £
Loss on disposal of fixed assets held for the charity's own use	5,860	379
Depreciation of fixed assets	5,313	6,433
	5,860	6,812

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2016 £	2015 £
Staff costs during the year were:		
Wages and salaries	262,334	247,597
	262,334	247,597

The monthly average number of persons (including senior management team) employed by the Charity during the year expressed as full time equivalents was as follows:

	2016 No	2015 No
Charitable activities	43	53
	43	53

No employee received emoluments of more than £60,000 during the year.

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

11 Auditors' remuneration

	2016	2015
	£	£
Audit of the financial statements	<u>2,529</u>	<u>2,252</u>

12 Taxation

The Charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment	Motor vehicles	Computer equipment	Total
	£	£	£	£
Cost				
At 1 January 2016	8,779	7,239	7,145	23,163
Additions	355	860	1,536	2,751
Disposals	<u>(7,335)</u>	<u>-</u>	<u>(3,954)</u>	<u>(11,289)</u>
At 31 December 2016	<u>1,799</u>	<u>8,099</u>	<u>4,727</u>	<u>14,625</u>
Depreciation				
At 1 January 2016	3,463	2,368	3,732	9,563
Charge for the year	897	2,306	2,110	5,313
Eliminated on disposals	<u>(3,222)</u>	<u>-</u>	<u>(1,723)</u>	<u>(4,945)</u>
At 31 December 2016	<u>1,138</u>	<u>4,674</u>	<u>4,119</u>	<u>9,931</u>
Net book value				
At 31 December 2016	<u>661</u>	<u>3,425</u>	<u>608</u>	<u>4,694</u>
At 31 December 2015	<u>5,316</u>	<u>4,871</u>	<u>3,413</u>	<u>13,600</u>

14 Stock

	2016
	£
Stocks	<u>1,016</u>

15 Debtors

	2016	2015
	£	£
Trade debtors	59,172	15,000
Prepayments	910	6,925
Other debtors	<u>405</u>	<u>1,511</u>
	<u>60,487</u>	<u>23,436</u>

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

16 Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors	11,789	-
Accruals	10,418	10,175
	22,207	10,175

17 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

18 Funds

	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Balance at 31 December 2016 £
Unrestricted funds				
<i>Unrestricted general funds</i>				
General funds	111,888	336,207	(343,999)	104,096
Restricted funds				
DOVCU	3,551	87,664	(89,705)	1,510
Strong Beginnings	-	2,299	(2,299)	-
Triplets fund	5,371	982	(6,353)	-
Fundraisers' fund	1,862	44,204	(41,515)	4,551
Director of Programmes	2,309	10,000	(12,198)	111
BCN Videos	-	8,474	(2,573)	5,901
HHC Conference	-	11,837	(11,837)	-
HHC Tororo DI	-	30,000	(10,621)	19,379
HHC Videos	-	12,027	(5,568)	6,459
HHC Workshop	-	2,000	(2,000)	-
KCHPF	-	8,704	(8,704)	-
Small grants under £1,000	-	4,239	(4,094)	145
Total restricted funds	13,093	222,430	(197,467)	38,056
Total funds	124,981	558,637	(541,466)	142,152

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

	Balance at 1 January 2015 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2015 £
Unrestricted funds					
<i>Unrestricted general funds</i>					
General funds	36,617	301,709	(266,777)	40,339	111,888
<i>Unrestricted designated funds</i>					
Fixed assets	9,489	-	-	(9,489)	-
Uganda Executive Director	35,834	-	-	(35,834)	-
Social work	10,000	-	-	(10,000)	-
	<u>55,323</u>	<u>-</u>	<u>-</u>	<u>(55,323)</u>	<u>-</u>
Total unrestricted funds	<u>91,940</u>	<u>301,709</u>	<u>(266,777)</u>	<u>(14,984)</u>	<u>111,888</u>
Restricted funds					
DOVCU	-	58,050	(54,599)	100	3,551
Strong Beginnings	31,883	220,053	(262,086)	10,150	-
School fees	-	787	(787)	-	-
TdH re Conference	-	1,155	(1,155)	-	-
Triplets fund	4,197	3,170	(6,730)	4,734	5,371
Fundraisers' fund	-	41,754	(39,892)	-	1,862
Director of Programmes	206	17,809	(15,706)	-	2,309
	<u>36,286</u>	<u>342,778</u>	<u>(380,955)</u>	<u>14,984</u>	<u>13,093</u>
Total restricted funds	<u>36,286</u>	<u>342,778</u>	<u>(380,955)</u>	<u>14,984</u>	<u>13,093</u>
Total funds	<u><u>128,226</u></u>	<u><u>644,487</u></u>	<u><u>(647,732)</u></u>	<u><u>-</u></u>	<u><u>124,981</u></u>

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

The specific purposes for which the funds are to be applied are as follows:

Designated funds:

Fixed assets: This fund was set up to absorb the unavoidable cost of future depreciation of our fixed assets.

Uganda Executive Director: The trustees set aside funds to pay for the Executive Director in Uganda. The Executive Director's job includes securing funds from donor partners.

Social work: This fund was established to help ensure stability and continuity of our social work centre and related costs by providing for some of its costs for the following year.

During 2015 the trustees decided that no designation of funds was required any longer and all were transferred to general funds.

Restricted funds:

DOVCU (De-institutionalisation of Orphans and Vulnerable Children in Uganda) is a project funded by USAID through Child Fund. The grant runs from April 2015 to June 2017. The activities include provision of training in alternative care to child care institutions, social workers, probation officers and others in 12 regions of Uganda, as well as the establishment of regional panels to approve children and parents for adoption.

Strong Beginnings is a project funded by Terre des Hommes running from April 2014 to December 2015. The activities include piloting a model of emergency transitional care, with children moving safely to home based care via resettlement, fostering or adoption.

School fees: CiF distribute schools fees paid by private donors in the UK.

TdH (Terre des Hommes) provided a grant towards conference costs.

The triplets' home improvement fund was for a particular family where the children were at risk of abandonment. An individual raised funds for Child's i Foundation to support that family to buy land and build a home.

The fundraisers' fund is a restricted donation from an individual to finance the costs of the fundraising team.

St. James Place Foundation funded the salary and on-costs for the post of 'Director of Services', later renamed 'Director of Programmes'.

BCN (Better Care Network) is an International Resource for all organisations involved in Alternative Care. They have commissioned Child's i Foundation to produce a series of videos to document the learning from our programmes for a global audience.

HHC (Hope and Homes for Children) are a strategic partner who have provided seed funding for De-Institutionalisation work in Tororo District and provided finance for the production of a series of videos documenting the work of HHC's partners in the region. They also funded the hosting of the first Regional Alliance Conference on Alternative Care, and a workshop where the Government of Uganda was able to develop their own budget for alternative care programmes .

KCHPF (Keeping Children in Healthy and Protected Families) is a project funded by USAID through Catholic Relief Services (CRS). The grant totalling \$1,300,000 runs from Dec 2016 to August 2019. The activities include provision of social work case management services for 640 children living in Child Care Institutions who will be resettled with their families. It is a research project to assess the impact of delivery of parental training on reintegration outcomes.

Child's i Foundation

Notes to the Financial Statements for the Year Ended 31 December 2016

19 Analysis of net assets between funds

	Unrestricted funds		
	General funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	4,694	-	4,694
Current assets	121,609	38,056	159,665
Current liabilities	(22,207)	-	(22,207)
Total net assets	<u>104,096</u>	<u>38,056</u>	<u>142,152</u>