

CHILDREN CHANGE COLOMBIA
(A company limited by guarantee)

Charity Registration No. 1075037
Company Registration No. 3731943 (England and Wales)



CHILDREN CHANGE COLOMBIA
(A company limited by guarantee)

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

CONTENTS

Legal and administrative information	3
Chair's Statement	4
Annual Report of the directors and trustees	5-13
Report of the auditors	14-15
Statement of financial activities	16
Balance Sheet	17
Cash Flow Statement	18
Notes forming part of the financial statements	19-29

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES AND DIRECTORS

- Caroline Moser – Chair
- Kate Saunders - passed away 11th November 2016
- Julio Davila
- Cathy McIlwaine
- Felipe Alviar Baquero
- Julia Hayes
- Victoria Lowry
- Janey Wall
- Richard Drean – Honorary Treasurer from 19th July 2016
- Mauricio Rodriguez – appointed 19th July 2016

EXECUTIVE DIRECTOR & SECRETARY

Duncan Millar

REGISTERED OFFICE

Development House
56-64 Leonard Street
London EC2A 4LT

REGISTERED CHARITY NUMBER

1075037

COMPANY NUMBER

3731943

AUDITORS

H W Fisher & Company Limited
Acre House
11/15 William Road
London NW1 3ER

BANKERS

National Westminster Bank Plc
Dorking Branch
14 High Street
Dorking
Surrey RH4 1AX

Barclays Bank Plc
Towngate House
Church Street East
Woking
Surrey GU21 1AE

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Banco de Occidente
Calle 5 #34-24,
Cali
Colombia

CHAIR'S STATEMENT

For the year ended 31 December 2016

This has been a pivotal year for Colombia. The hopes of many (but by no means all) Colombians for a peace agreement between the government and the FARC guerrillas were finally realised. As suggested in my statement last year, the agreement holds out the prospect of significant improvements in the lives of the children who have endured the threats posed by armed conflict. Indeed the number of officially registered new victims of the conflict - those who've suffered intimidation, physical violence and forced displacement – continues to fall¹. This can only be good news for the children and young people whom Children Change Colombia exists to serve.

We know, though, that to take advantage of these historic changes in Colombian society so as to maximise the life chances of the many thousands of children whose rights remain at high risk requires an enormous, and urgent, effort. In 2015, as a priority, we began work to improve the processes for reinserting ex-child combatants into civilian society with our partner CRAN in Bogota. This work is even more crucial now that the FARC has demobilised and this work has continued in 2016. We also know that in many parts of Colombia children's rights are still under great threat in other ways. This is particularly true of those remoter regions with weak government control and a high presence of the many armed groups that remain, where children who have been displaced or are from indigenous or Afro-Colombian communities still live particularly insecure lives. For this reason in 2016 CCC broadened its geographical coverage and began new partnerships working with communities in just such places – Buenaventura and Putumayo – and established a new partnership to begin in a third, Quibdó, in 2017.

Our new partnership with Casa Amazonía in Putumayo, a rural department in the south of Colombia that has been severely affected by conflict, operates in five rural, largely indigenous, communities, and aims to protect children against sexual violence and recruitment into illegal armed groups. Our new partnership with Fundescodes represents our second initiative in the dangerous port city of Buenaventura. The project aims to mobilise whole communities to rebuild protective structures that keep children safe from threats of forced recruitment into armed groups, violence and discrimination. You can read about both these projects in detail on pages 6-7.

These projects, and our other six current partnerships, are the outcome of our efforts to adapt to the rapidly changing environment in Colombia so as to ensure that we are always tackling the most neglected issues facing children and young people and are working with those at greatest risk.

Our ability to do this relies, of course on securing funding for our work. 2016 has been a successful year in this respect. While not quite reaching our income target, we have broadly met our aim of maintaining income at 2015 levels with a view to steadily increasing our income over the coming years.

The key to increasing income now is the development and expansion of our funding sources within Colombia itself. To achieve this, for the first time, we have added a dedicated fundraiser to our team in Colombia. The fundraising environment in Colombia is very different to that of the UK and part of the fundraiser's job has been to identify those funding sources with the greatest potential. We believe there are considerable opportunities to attract funding from corporate and institutional sources, as well as from fundraising events and challenges. Along with the decision to consolidate our expanded Colombia team into one office in Bogota, from the previous two in Cali and Bogota, this represents an expansion of our investment in Colombia. To date, however, overall income from Colombia remains modest. We will now monitor closely how far we can develop our fundraising in Colombia and how quickly we can reap the benefits from this investment.

In attempting to develop our fundraising in Colombia, Children Change Colombia is embarking on a major new challenge. We are doing it to support the young people of Colombia in this even more complex context, in which it is crucial to construct a truly post-conflict society, and one in which no childhoods are marred by fear of violence or lack of opportunity.

I am confident that Children Change Colombia, with its experienced and committed team, its dedicated board of trustees and the enormous goodwill and support it receives from so many individuals and institutions in the UK and Colombia is in a strong position to meet this challenge.

Finally, I cannot end 2016 without a tribute to Kate Saunders, former honorary treasurer, who died suddenly in November. Her contribution to the work of our organisation was immeasurable. There are no achievements in this report that Kate, through her 15 years of service, did not contribute to. She will be greatly missed.

Caroline Moser, Chair of Trustees

11 September 2017

¹ 180,423 in 2015; 82,237 in 2016. Registro único de víctimas, 2017

ANNUAL REPORT OF THE DIRECTORS AND TRUSTEES ("The trustees")

For the year ended 31 December 2016

The trustees present their report and accounts for the year ended 31st December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting & Reporting by Charities" issued in March 2015.

Principal Activities and Aims

Children Change Colombia (formerly known as Children of the Andes) is a UK registered charity, established in 1991 to support at risk children in Colombia. We work with children and their families to challenge poverty, inequality, discrimination and violence. Despite a growing economy and the signing of Peace Accords with the FARC, millions of children in Colombia still face poverty, violence and exclusion from the opportunities presented by a changing society. Children Change Colombia is committed to working with the children that need us most and in areas neglected by other organisations. We work in partnership with local children's organisations that have a proven record in defending the rights of children most affected by poverty, inequality and conflict. We work with children who have been displaced by the conflict or who have been threatened by or escaped the armed groups. They are children whose rights to a safe and happy family life, to health and education, are threatened by poverty, violence and sexual exploitation.

As well as providing financial support, Children Change Colombia provides ongoing accompaniment to its partners, helping them build their capacity, share learning with other organisations working in similar fields and access new and sustainable sources of funding.

Children Change Colombia operates in a context in which:

- After the initial 'no' vote to the referendum on the Peace Accords with the FARC, Colombia's Congress ratified the amended Accords on 30th November 2016. However, the FARC is only one armed group of many in Colombia that threaten the lives of children and their families. Many communities are living in fear that other groups will step in to fill the power vacuum left by the FARC.
- Violence has continued during the year and after the signing of the Peace Accords, forcing even more people to flee their homes. The number of people displaced by violence has now reached 7,246,000, approximately half of which it is believed are children. 80% of these internally displaced people live below the poverty line, and 33-55% of these people live in extreme poverty.
- Children remain at high risk of recruitment by armed groups and of violence at their hands.

Overview of work in 2016

Children Change Colombia has worked with eight partner organisations during 2016. Our work over the year is described below, organised by our stated objectives for the year.

Objectives for 2016

Programme Objectives

Objective 1) Address the most neglected² issues facing children in Colombia and to reduce this neglect.

Children Change Colombia has continued to support Colombian organisations tackling some of the most pressing but neglected issues that threaten children's rights in Colombia.

ACJ Bogota: Prevention of commercial sexual exploitation of children and young people

In January 2016, Children Change Colombia started working with new partner ACJ Bogota on a project to protect children against commercial sexual exploitation. The project works in an area of Bogota that is a designated 'tolerance zone' where sex workers are permitted to operate. Children living in this area are at high risk of commercial sexual exploitation (CSE) for reasons including: a) they see sexual exploitation as a normal transaction in exchange for money or goods; b) the lack of police presence in the district has created spaces for gangs and drug dealers to operate openly; c) children are exposed to potentially dangerous adults

² We define 'neglect' as a function of numbers affected compared to the amount of attention the issue is getting

who seek to violate their rights; and d) it is more difficult to identify children who are being sexually exploited for money when there are so many adults in this situation.

Four different groups of people participated in project activities to mobilise a more protective community for children and young people:

- 1) Children and young people living in the tolerance zone and their families
- 2) Children and young people at schools in the surrounding areas, their teachers and families
- 3) Young people who are already involved in sex work/sexual exploitation
- 4) Community members, including street vendors and shop-keepers

1) ACJ worked with 179 children and young people living in the tolerance zone. As a result of participating in ACJ's activities all 179 children were able to recognise the risk of CSE that they face in their community and they no longer see it as a way to generate income. All of them developed the skills necessary to critically analyse situations of CSE as well as situations that are related to CSE such as drug use, drug trafficking and petty crime. They are able to better look after themselves and take actions of leadership and protection towards other children that they identify as being at risk.

2) ACJ worked with 1,316 children and young people in 4 schools around the area. Children identified the types of situations that increase their risk of experiencing CSE, using testimonies from children who had experienced CSE to help them in this process. They then learned about the importance of strengthening factors such as self-esteem, communications and relationships with others, as a way to protect them from these situations. After these workshops, 97% of the students understood the risks of CSE and the situations in their schools that increase these risks, taking actions to create a safer environment in their schools. Children also identified the importance of communicating with their families when they were approached by someone or had been in a situation that felt unsafe. This is important, as families that are more aware of the risks their children are facing are much better able to protect them from these risks.

3) ACJ worked with 73 young men and women (aged 18-25) already involved in CSE, and their 44 children. Most of these young people were first sexually exploited as children and have not been able to break free from the cycle of exploitation. The work with this group is focused on providing them with the necessary psychosocial support so that they can overcome the traumatic experiences they went through as children and see themselves as someone who is worthy of being safe and being cared for. To make sure that these young people had other options available to them if they decided that they wanted to leave sex work, ACJ ran vocational training workshops. They also provided one on one accompaniment in job seeking – helping the young people to write their CVs and giving them support in developing interview skills. 21 young women from this group of 73 have now made the decision to leave commercial sexual exploitation, and have been supported in this by ACJ. They have all been able to find employment outside of sex work, have improved relationships with their children and show reduced levels of violence in conflict resolution. Of these 21 young women, 12 have become leaders, planning and executing activities to motivate and support others to leave commercial sexual exploitation and to help those who are in this situation to access the care and support they need to stay safe.

Casa Amazonia: Indigenous children and young people protecting themselves from sexual violence and forced recruitment

Casa Amazonia were another new partner for Children Change Colombia in 2016. It was also the first time Children Change Colombia supported work in Putumayo, a rural department in the south of Colombia that has been extremely affected by conflict. The project, which worked in 5 rural, largely indigenous, communities, aimed to protect children against sexual violence and recruitment by making these dangers more visible and helping children to develop the skills to protect themselves and to participate more effectively in the political structures of their community.

105 of the children and young people who participated in the project, all of whom had either experienced or were at high risk of sexual violence, developed tools to identify and react to risk factors, increasing their self-protection. All of these children began to understand that the violence in their communities is not normal. They were able to identify people that they can go to for support, as well as institutions that have a responsibility to take action against sexual violence. Those who experienced violence began talking about their experiences. The power of survivors talking about this openly as a way to help prevent it happening to others cannot be underestimated. Their voices contributed to the reduction of the taboo around this topic in their communities and schools, made it easier for others to speak out, and strengthened the pressure on adults to take action to prevent it.

There have been significant changes in adults, especially family and community members, who participated in the project activities. At the beginning of the project they were very defensive of the high levels of violence in their communities, justifying it by arguing that it is a culture of 'machismo', and this is how they grew up. By visibilising this violence during the year, the adults were able to reflect on their own experiences growing up and the negative way that this made them feel when they were children. As a result they have committed to taking actions that will help to transform this culture of violence.

Among all 17 indigenous authorities and community leaders who participated in project activities there is greater knowledge and

understanding of the violence that children are exposed to, specifically sexual violence, its long term impact on a child's life, and the factors that can protect children from this. The spiritual leaders of the indigenous authorities have become more involved with children and parents, and in each of the communities these leaders have created spaces to talk about these risks and reflect together on how they can create safer communities, emphasizing the responsibilities of adults to take action to protect children.

Fundescodes: Protecting children from violence and rebuilding protective communities

This was our 3rd new partnership of 2016, and represented a second partner working in the dangerous port city of Buenaventura, where we began to work last year with our partner Carvajal. The project aimed to teach children and young people about their rights and support them to create a programme of sports and cultural activities that promoted these rights and made visible to others in their community the ways in which these rights, especially their right to be free from violence, were being violated. By making violations of children's rights understood by both children and adult community members, the project aimed to mobilise whole communities to rebuild protective structures that keep children safe from threats of forced recruitment into armed groups, violence and discrimination.

All 280 children who participated in the project not only developed the skills necessary to protect themselves from violence, but also took action to do so, contributing to the reduction of violence in their communities. This was not easy to achieve as many of the children presented behavioural problems, especially aggression towards each other, on joining the project.

The actions the children took to reclaim public spaces in their communities from use by armed groups succeeded in breaking a number of 'invisible borders' that the armed groups had constructed to stake out their areas of control. Customarily, a person who crosses an invisible border faces violent reprisals, so by breaking these borders the children and the wider community have not only regained the use of public spaces but have claimed their right to be free from violence in their neighbourhood.

As a result of Fundescodes' involvement of parents and carers, community leaders, teachers and State representatives in various activities and forums throughout the year, the children were able to demand the fulfilment of their rights from the adults who are responsible for protecting them. The support they received from these adults in response to these demands led to the greater protection of the children's rights and contributed to creating more protective, peaceful communities. Using what they had learnt in project activities, parents and carers from each community worked together with Fundescodes to develop a 'pathway' within their community to prevent violence against children and young people. The pathway set out clear actions that adults should take to protect children against violence in the community and to care for children who had already experienced violence, including making referrals to appropriate specialist care providers. Leaders from the Community Action Groups and parents shared these pathways within the communities, with the Mayor's Office, at the city's Board for Children and Youth, with other community-based organisations, and through local TV and radio channels. These concrete actions are a crucial step towards making these communities safer for children and young people.

Objective 2) Protect the most at risk³ and excluded⁴ children from immediate harm and reduce risk to their rights in the long term

All Children Change Colombia partnerships aim to provide long-term benefits for the children involved. We also aim to support partners who strive to ensure that their work can benefit other children and organisations, both now and in future.

Tiempo de Juego: Building a positive future for children and young people at risk of gang-related violence and crime

2016 was the second year of our new 3 year partnership with Tiempo de Juego, who work in Cazucá, Soacha, to break the vicious cycle where children who have been excluded from society begin to become part of the violence and illegality that they are surrounded by. The project uses artistic activities to promote life skills, principles of peacefully living together and positive decision making, undertake psychosocial work with the children and young people, and transform their way of thinking about themselves, their community and what they can achieve with their lives.

In 2016, TDJ organised a number of activities through which the children and young people could develop their ability to share the skills they had learnt, with members of their community in Soacha and further afield. Through these activities, the children were able to demonstrate how the arts can contribute to building a culture of peace in a community. In one activity, TDJ secured a space during Bogotá's annual International Book Festival in which their youth leaders ran a short workshop with children from schools across the capital to display the work they do with TDJ and its impact on them as youth leaders and on the children they support. They also talked about the positive impact TDJ had had in their community. This activity empowered the youth leaders to talk in public about the changes they are bringing about in their community, and the positive comments they received from the teachers and students at the festival helped them to recognise how important and impressive their work really is. Importantly, it

³ We define 'at risk' as a function of severity of harm multiplied by the likelihood of the harm happening.

⁴ Children and young people who, for whatever reason, face barriers to the fulfilment of their rights, and are excluded from full participation in social, economic, political and cultural life. For example, exclusion from education, from a say in the decisions that affect their lives, from play with their peers.

also helped the children feel that they were breaking the negative stereotypes many people in Bogotá have of Cazucá and its population.

At the end of the year each group again presented a selection of their work at TDJ's large annual community festival – 'Cazuca Sueña' (Cazuca Dreams). The festival was organised by the young people themselves and attended by over 1200 community members (almost double the number of attendees in 2015). The aim of this festival was to demonstrate to community members the transformative power of art and to engage the community members in a dialogue about the risks in their community and how they can better protect children and young people against these. Organising a festival like this has in itself converted the children and young people into agents of change; they demonstrated to the community their positive potential. Through this festival community members could see that the children and young people can work together and achieve something that is constructive and good for the community. In this way the children and young people have been positive role models for other community members, showing what can be achieved through hard work and solidarity.

Corpolatin: Protecting children against violence and abuse

2016 was the final year of our 4 year partnership with Corpolatin, who have been running a project that trains children and young people to become youth leaders, enabling them to protect themselves from violence and abuse in schools, and to share this training with their peers. Corpolatin also supported parents, teachers and local institutions to fulfil their protective role.

156 children and young people (66 male, 92 female) from the 5 target schools participated in training to become youth leaders in their schools, able to give advice and support to other students. Of the 156 students, 133 had participated in the project in 2015 and 25 were new to Corpolatin in 2016. The sessions strengthened young people's socio-emotional skills, such as the ability to express themselves freely and appropriately and how to listen and empathise with others. The children also participated in activities which used sport, art, logical thinking and role play to further explore the attitudes and leadership skills a young person needs in order to foster a peaceful environment in their schools and to help their peers tackle issues of violence and discrimination without conflict.

In an evaluation of the 133 students who had participated in activities during both years, 99% of the students affirmed that their communication skills had improved and that they felt capable of using these skills to resolve arguments and fights between their peers. Of these students, 49% said they had already resolved conflicts by listening to both sides and proposing a solution, 27% had recommended that both sides listen to each other and decide on their own solution, 15% had helped the two sides to come to an agreement and followed-up with them on the success of this, and another 9% had sought help from a teacher. This was a significant achievement by Corpolatin given that at the outset of the project, only 42% of the students believed they would be capable of peacefully resolving a conflict. Overall, 67% of the students reported that violence in their schools had reduced and considered that this was a direct result of their increased ability to intervene in conflict situations before they escalated.

In addition to the partners described above, Children Change Colombia continued to work in 2016 with the following existing partners:

Carvajal: Improving the quality and permanence of education in Buenaventura

Si Mujer (Cali): Improving young people's sexual and reproductive health and rights

CRAN (Bogota): Supporting demobilised children and young people

Objective 3) Strengthen the voluntary sector working with children in Colombia

A significant part of our work, and what differentiates us from many other UK based NGOs, is the extent and permanence of the support and accompaniment that we are able to offer to our partners, thanks to the presence of our two permanent project officers. In 2016 we consolidated our Colombia office so that both of our project officers and our other Colombia staff would be based in Bogotá, making us more efficient and effective as a team.

Colombia Office Technical Support

Our permanent on the ground presence continues to enable us to link our partners together to create a network, in which Colombian organisations working in similar areas but with different specialties, are able to consult one another on specific cases, share experiences, and provide training to one another. Since our partners are the experts in their field, we believe that facilitating this type of co-operation is one of the most effective ways for them to become stronger and better able to protect and promote the rights of the vulnerable children they work with in the long-term.

In 2016 we had 2 meetings with staff members and young people from all of our partners. The first one, in June, was held by our partner Si Mujer in Cali, and was an opportunity for everyone to learn about sexual and reproductive rights and how to work on these with children and young people. 12 of our current and former partners from across Colombia took part in a 2.5 day training in sexual and reproductive rights run by Si Mujer. One staff member and two young people from each organisation participated in

this event, alongside members of the Children Change Colombia team. The meeting was a wonderful opportunity for all of the partners to learn more about each other and exchange lessons learnt, and for the young people to meet other young leaders and share their experiences of youth leadership in their homes, schools and communities. All of the participants also learnt about sexual and reproductive health and rights, why these are important and how to dispel common myths and misinformation around this topic that can lead to dangerous behaviours such as unsafe abortions and increase risks of sexual and gender based violence. The second meeting was held in Bogota in November. A staff member and a young person from all 8 of our partners participated. Our partner Tiempo de Juego, who wanted to use this opportunity to share their methodology, ran the first day. Everyone took part in 'a day at Tiempo de Juego' – they played football using TDJ's 'football for peace' methodology, they wrote and performed a song about gender equality, and they learnt how art activities could be used to improve communications. The second day was an opportunity for all partners to share with each other. The floor was opened up to the young people, who are all youth leaders in their projects, to talk about challenges they had faced in their schools or communities and what they had done to overcome these. The staff members and young people left the meeting full of energy and enthusiasm – they were keen to put into practice what they had learnt at Tiempo de Juego and full of new ideas to overcome the challenges they face in their efforts to create safer communities that are more protective of children.

Developing new programmes and partnerships:

In 2016, we were able to investigate and find a partner organisation working in Quibdó, Chocó on the issue of sexual violence against children in the context of the armed conflict. Years of insufficient state control in Choco have led to high levels of coca cultivation, drug trafficking, illegal mining and extortion, factors which have created a constant struggle for control between the army, guerrilla groups and other illegal armed groups. Children in Quibdó are at high risk of becoming victims of the various armed groups, whether through sexual violence or being recruited to act as messengers, drug traffickers, arms carriers or informers. We worked with the organisation, Circulo de Estudios, to develop a project for 2017 to reduce conflict-related sexual violence against children and forced recruitment of children and increase adults' ability to protect children from these risks. The project will operate in 4 communities in Quibdó that receive the highest numbers of displaced people and with high levels of extreme poverty and sexual violence by armed groups.

Fundraising Objective

Objective 4) To maintain a sustainable fundraising model that enables us to:

- i. Meet our funding commitments to partners with restricted income
- ii. Cover our operational costs with general funds
- iii. Recoup and maintain a cushion of general funds to ease cash-flow with grant-giving
- iv. Further develop our fundraising programme in Colombia in order to take full advantage of funding availability as a result of social, political and economic changes in Colombia
- v. Maintain 2016 income at 2015 level while expanding our fundraising capacity and researching new sources of funding with a view to increasing income substantially in 2017-2018.

i) This was achieved, with most of our grants to partners coming from restricted funds specifically raised for that project. Four partners received £47,483 (3 partners 11,278 in 2015) in general funds grants during the year, to enable them to keep projects running by paying for essentials when restricted funding was not yet available. The aim was for these advance grants to be reimbursed by restricted funding. This is not always possible and in 2016, £7,500 of grants to partners were covered by general funds.

ii) This was almost achieved. Of our total expenditure of £286,598 of general funds, we managed to raise 96% in 2016.

iii) Despite a small deficit in general funds expenditure at year end, Children Change Colombia was able to maintain a cushion of general funds to ease cash-flow with grant-giving

iv) Our fundraising programme in Colombia continued to develop with the recruitment of a dedicated fundraiser, and the initiation of a programme of fundraising events and challenges. We made a good start in 2016 – including a fabulous dance show from our tireless patron Fernando Montaña, to whom extra special thanks is, as ever, due.

v) 2016 saw our third highest income in 26 years of operation. We had great success in fundraising events, and in securing income from Trusts and Institutional funding, including Jersey Overseas Aid and the Ashmore Foundation. We also secured our second Comic Relief grant for our project with girls and young women at risk from gangs in Bogota. These results have been almost matched by continuing excellent level of support from our Corporate donors including Anglo American Group Foundation, Capital

International, Succession Giving and the Emerging Markets Ball. Our support from members of the general public has been, as ever, outstanding. 2017 will however throw up a number of fundraising challenges in the UK. Our long and fruitful association with Fyffes has come to an end and the Emerging Markets Ball will not be taking place in 2017. In addition, our very substantial National Lottery Funding comes to an end in 2017.

Objectives for 2017

In 2017 our Programme Objectives will continue to be the same as those we developed for 2016:

Programme Objectives for 2017

- Objective 1) Address the most neglected⁵ issues facing children in Colombia and reduce this neglect.
- Objective 2) Protect the most at risk⁶ and excluded⁷ children from immediate harm and reduce risk to their rights in the long term
- Objective 3) Strengthen the voluntary sector working with children in Colombia

Fundraising Objective for 2017

Objective 4) To maintain a sustainable fundraising model that enables us to:

- vi. Meet our funding commitments to partners with restricted income
- vii. Cover our operational costs with general funds
- viii. Recoup and maintain a cushion of general funds to ease cash-flow with grant-giving
- ix. Further develop our fundraising programme in Colombia in order to take full advantage of funding availability as a result of social, political and economic changes in Colombia
- x. Continue to expand our fundraising capacity and research new sources of funding with a view to increasing income substantially in 2017-2018.

Grant making policy

Children Change Colombia makes grants to partner organisations in Colombia. Project proposals are subject to approval by the Executive Director and the trustees to ensure the work is in line with our strategic objectives. All projects are subject to a monitoring process and the payment of grants is subject to satisfactory monitoring reports being received.

Voluntary Help

Children Change Colombia is supported by a number of volunteers who provide invaluable administrative and fundraising assistance and the Board wish to express their gratitude to all of those who have helped Children Change Colombia develop its activities through their voluntary assistance.

Financial review

Matters disclosed by virtue of the requirements of the Companies Act 2006 in the financial statements themselves are not necessarily further referred to hereunder. A Statement of Financial Activities can be found on page 16 and from this it can be seen that the overall deficit for the financial period ended 31st December 2016 was £ 43,905.

The total amount of funds available to the charity at 31st December 2016 was £ 210,722 of which £ 3,489 was restricted and £207,233 was unrestricted.

FINANCE REPORT

During the year ending 31st December 2016 Children Change Colombia raised £ 689,693 (year ending 31st December 2015 - £725,218), which was a decrease of under 5% on the previous year and a shortfall on the budgeted income.

⁵ We define 'neglect' as a function of numbers affected x amount of attention issue is getting

⁶ We define 'at risk' as a function of severity of harm x likelihood of the harm happening.

⁷ Children and young people who, for whatever reason, face barriers to the fulfilment of their rights, and are excluded from full participation in social, economic, political and cultural life. For example, exclusion from education, from a say in the decisions that affect their lives, from play with their peers.

In line with our financial strategy, Children Change Colombia continues to raise funds from a balanced mix of income streams including trusts and foundations, institutional funding, individuals and corporate donors. Income from trusts & foundations decreased by 12.5%, falling from £ 94,721 in 2015 to £ 82,884 in 2016 but institutional funding rose by 26% from £236,042 in 2015 to £ 297,102 in 2016. A decrease of 34% was seen in corporate donations, falling from £ 158,247 in 2015 to £ 104,214 in 2016.

Income from Individuals £ 157,494 (year ending 31st December 2015 - £ 185,080) decreased by 15%. This income included legacy income which decreased from £ 71,360 in 2015 compared with £ 44,728 received in 2016. Income from community fundraising has decreased by 19%, decreasing from £ 29,339 in 2015 to £ 23,626 in 2016. Standing orders which are so important to us have remained constant, generating £ 52,443 in 2016 (£ 53,130 in 2015).

In 2016 we continued with our strategy to raise funds in Colombia as well the UK. It is still too early to know whether this is going to be a dependable source of income.

We never cease to be moved by the loyalty and generosity of our supporters and are deeply appreciative of the personal investment they make in the future of Colombia's most vulnerable children.

In the Analysis of Expenditure on Charitable Activities we invested £ 414,148 in direct project funding (year ending 31st December 2015 – £ 353,358) via direct support to our partners, an increase of 17% which is a considerable achievement considering the previous year already saw an increase of 18%. A further £ 203,280 (year ending 31st December 2015 – £ 184,151) was spent on project support through accompaniment, capacity building and governance.

Last year, changes were made to the format of our Accounts and as a result, charitable activities now include governance. Results show that 84p in every £ was spent on charitable activities in 2016 (year ending 31st December 2015 - 82p).

Children Change Colombia finished 2016 with an overall deficit £ 43,905 across both restricted and unrestricted funds. The unrestricted fund balance decreased by £ 10,428 to £ 207,233, the restricted fund balance has decreased by £ 33,477 to £ 3,489. Restricted funds brought forward will be passed onto project partners in 2016 & unrestricted funds will be held in accordance with Children Change Colombia's Reserves policy.

In the difficult financial times ahead, Children Change Colombia will continue to monitor its financial position closely. Children Change Colombia's well-established system of monthly management accounts, regular budget v actual reporting and rolling twelve-month cash flow forecasts monitor the longer term position and analytical reviews of historical data identify significant variations well in advance. These reports are reviewed across the organisation at regular meetings with the staff and trustees. Children Change Colombia has used the traffic light system to highlight when reserve levels fall below certain thresholds. When applied during 2016 we note that every month saw a "green" light.

Finance and Administration Objectives

- To ensure the organisation is working as effectively as possible and meeting all its legal obligations

Legal details

Children Change Colombia is an international non-governmental organisation created as a charitable legal entity in the United Kingdom and a company limited by guarantee. The change of name from Children of the Andes to Children Change Colombia was registered with Companies House on 16th September 2015. The Company known as Children of the Andes was formed on 12 March 1999, was then registered under no: 1075037 with the Charity Commission on April 9 1999 and took over the activities of a predecessor non-incorporated charity on 6 June 1999. The members of the Company consist of the trustees. A list of the current trustees can be found on page 3, together with a note of professional advisors.

Organisational and decision making structure

Children Change Colombia is managed by an Executive Director, (who is also the Company Secretary). The Executive Director is assisted by a Programmes Manager, two Fundraisers, one part-time Finance Manager and one Finance and Fundraising Assistant in the UK. There are a further four staff in Colombia; two Project Officers, one part-time Fundraiser and one Finance and Administration Assistant.

The trustees hold at least four meetings per year to, inter alia, receive and consider reports from the Executive Director, review the financial situation and monitor the achievement of the social objectives of the Charity.

The Chair holds monthly meetings with the Executive Director and the staff to review progress. The Honorary Treasurer, Chair & a further trustee hold regular meetings with the Executive Director and Finance Manager as a Finance Committee which then analyses monthly results and prepares documents for the following board meeting.

Systems of Internal Control

There is an organisational structure of delegation with lines of responsibility for control and procedures for reporting decisions, actions and issues.

The board approves and monitors the annual budget and income projections.

No remuneration or benefits have been paid or are payable in respect of the trustees. No material related party transactions occurred in the year.

Method of appointment or election of Chair and Trustees

Chair

A selection committee of trustees is appointed. When a vacancy for Chair becomes available, existing trustees may express an interest in the role, external candidates may be recommended or self-referred and the post is also advertised externally. Interested parties meet the Executive Director who explains the work of Children Change Colombia and the duties and responsibilities of the Chair. A panel, chaired by the head of the selection committee, then interviews candidates with the Executive Director sitting as an observer.

Trustees

When a vacancy in the ten-person board of trustees arises, nominations may be made by staff, other trustees (including the Chair), or may be self-referred. The post is advertised externally. The potential trustee receives an information pack and submits an application. If they meet the criteria for new trustees, they visit Children Change Colombia and meet the Executive Director and staff and, following this, meet the Chair of trustees or another trustee. Finally, the candidate attends a trustee meeting as an observer, and, after consideration by the Board, an invitation may be made to the candidate to become a trustee of Children Change Colombia.

The Board and Executive Director conduct a regular skills audit of the board of trustees to assess the fit of the board with the organisation's current strategic objectives. Vacancies in the board may arise as a result of an existing trustee stepping down by mutual agreement in order to enable the appropriate skills and experience to be represented on the board, or if a trustee is not re-elected after the standard three-year tenure period.

Responsibilities of the Trustees

The Charity's trustees (who are also the directors of Children Change Colombia for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk Management

The trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise.

The regular meetings between the Honorary Treasurer and staff as well as the meetings between the Chair and Executive Director are a key component of the risk management framework. During these meetings risks faced by the charity are carefully analysed and, if

required, checks introduced. The trustees are satisfied that systems are in place to mitigate the risks identified.

Risks that have been identified, are being monitored and for which checks have been put in place include: 1) Reduction in income due to economic down-turn 2) Misuse of funds by partners 3) Children Change Colombia unable to identify suitable project partners 4) CHILDREN CHANGE COLOMBIA unable to raise sufficient funds 5) Loss of key staff/failure to recruit suitable staff 6) Foreign currency exchange losses 7) Loss or damage to IT data 8) Exposure to unethical funding sources 9) Staff caught up in violence/kidnap/terrorism 10) Failure to comply with UK and Colombian regulatory obligations – in particular breach of data protection legislation 11) Child harmed accidentally or deliberately as a result of Children Change Colombia's work 12) Physical destruction of office and files 13) Failure to report adequately to donors.

Statement of policies

Reserve policy

The trustees use a risk based reserves policy based on a traffic light warning system (Green, Amber, and Red). The purpose is to give a real time calculation of reserve and cost levels in order to allow Children Change Colombia to maintain sufficient general fund reserves in order to reflect legal and fiduciary obligations for the continued normal existence of the charity followed by an orderly curtailment of activities if necessary. The policy is monitored by the Finance Committee, and assumptions reviewed annually. A copy of the policy is available on request.

Equal opportunities policy

Children Change Colombia is committed to operating an equal opportunities policy in all aspects of its work.

Investment Policy

Children Change Colombia is effectively a steward of funds donated, and therefore considers it appropriate to minimise risk when investing these funds. To this end, surplus funds are invested in interest bearing savings accounts with reputable UK banks and institutions. In order to minimise risks from bank failure, our policy is to hold no more than £75K in any one bank.

Public Benefit Statement

The trustees have a duty to report on how the activities of the charity deliver public benefit. The sections of this Report above entitled "Principal Activities and Aims" and "Objectives" set out the charity's objectives on the activity and success in the year to the 31 December 2016 in delivering public benefit.

Disclosure of information to auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

A resolution proposing that H.W. Fisher & company Limited be reappointed as auditors of the company will be put to the Annual General Meeting.

Approved on behalf of the Board of Trustees



Caroline Moser
Chair of the Board of Trustees

11 September 2017

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CHILDREN CHANGE COLOMBIA**

We have audited the accounts of Children Change Colombia for the year ended 31 December 2016 set out on pages 16 to 29. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement on page 12, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Trustees' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

H W Fisher & Company

Julian Challis (Senior Statutory Auditor)

for and on behalf of H W Fisher & Company Limited
Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER

28/9/2017

STATEMENT OF FINANCIAL ACTIVITIES
For the year 1st January 2016 to 31st December 2016

	Note	Unrestricted Income funds £	Restricted Income funds £	Year ended 31/12/2016 £	Year ended 31/12/2015 £
Income					
Donations and Legacies	3	231,124	410,570	641,694	674,090
Income from Charitable Activities	4	43,750	2,953	46,703	50,544
Investment income	5	1,296	-	1,296	584
Total Income		276,170	413,523	689,693	725,218
Expenditure					
Cost of Raising Funds	6	116,170	-	116,170	119,646
Expenditure on Charitable Activities	7,8 & 9	170,428	447,000	617,428	537,509
Total Expenditure		286,598	447,000	733,598	657,155
Net Income/(Expenditure) and Net Movement in Funds		(10,428)	(33,477)	(43,905)	68,063
Reconciliation of Funds					
Fund Balances at 1 st January 2016		217,661	36,966	254,627	186,564
Fund Balances at 31 st December 2016		207,233	3,489	210,722	254,627

The Statement of Financial Activities includes all gains and losses and complies with the requirements of an income and Expenditure account under the Companies Act 2006.

BALANCE SHEET

As at 31st December 2016

	Note	31 st December 2016 £	£	31 st December 2015 £	£
TANGIBLE FIXED ASSETS	11		-		-
CURRENT ASSETS					
Debtors	12	92,235		22,407	
Stock		1,954		720	
Cash at bank and in hand		134,578		247,371	
		<u>228,767</u>		<u>270,498</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	<u>18,045</u>		<u>15,871</u>	
NET CURRENT ASSETS			<u>210,722</u>		<u>254,627</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>210,722</u>		<u>254,627</u>
RESERVES AND FUNDS					
Unrestricted income funds (Reserves)	16		207,233		217,661
Restricted income funds	18		<u>3,489</u>		<u>36,966</u>
			<u>210,722</u>		<u>254,627</u>

The financial statements were approved by the Trustees on 11th September 2017 and signed on their behalf by:



Caroline Moser
Chair
Children Change Colombia



Richard Drear
Treasurer
Children Change Colombia

CHILDREN CHANGE COLOMBIA

(A company limited by guarantee)

CASH FLOW STATEMENT

For the year 1st January 2016 to 31st December 2016

		Unrestricted Income funds	Restricted Income funds	12 months ended 31/12/16	12 months ended 31/12/15
	Note	£	£	£	£
Cash Generated from Operating Activities:					
Net cash provided by (used in) operating activities	17	(83,860)	(28,933)	(112,793)	76,634
Net (increase)/decrease in cash:		(83,860)	(28,933)	(112,793)	76,634
Cash at bank & in hand less overdrafts at the beginning of the year		214,131	33,239	247,371	170,737
Cash at bank & in hand less overdrafts at end of the year		130,271	4,307	134,578	247,371

2015 Year End Cash at Bank & in hand £214,131 Unrestricted Funds and £33,239 Restricted Funds.

NOTES TO THE ACCOUNTS

For the year 1st January 2016 to 31st December 2016

Note 1

Accounting Policies

A) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities", applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st 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.

B) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Trustees do not believe there to be judgements or estimates that would be considered critical to the financial statements.

C) PUBLIC BENEFIT ENTITY

The charitable company meets the definition of a public benefit entity under FRS 102.

D) GOING CONCERN

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

E) INCOMING RESOURCES

Income from tax recoverable through Gift Aid is separately identified in the accounts. Income from donors is not recognised unless and until it is receivable. Income from collections is included when received at the offices of the charity. Donations and grants receivable are included when receivable, unless conditions are attached which specify their application to later periods. Such income would then be carried forward as income received in advance. Donations of labour are only recognised if material in terms of the financial costs to the donor. Grants made direct to non-governmental organisations, where raising of the funds was facilitated by Children Change Colombia, are included both in incoming resources and resources expended. Legacy income is included in the year in which it is receivable, which is when the charity becomes entitled to the funds.

F) RESOURCES EXPENDED

Expenditure is included in the accounts inclusive of non-recoverable VAT. All resources expended are classified under activity headings that aggregate all costs related to the category

Cost of Raising Funds

These comprise the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Charitable Activities

These include the costs incurred to further the purposes of the charity and their associated support costs. They include funds sent directly to our project partners to fund project activities and the cost of UK based staff and their overheads, directly providing support for the international programme including management, monitoring and technical support. It also includes the cost of three staff members in Colombia and their overheads.

G) ALLOCATION OF SUPPORT COSTS

Support costs are those costs which have not been directly allocated to an activity of the charity but nevertheless support those activities. These costs include Governance and have been allocated to Charitable Activities. The basis on which support costs have been allocated are set out in Note 8.

H) TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation and are depreciated on a straight line basis over their estimated useful lives at the following rates: Computer equipment over 3 years (tangible fixed). Donations of tangible assets are only recognised in the accounts if their market value at the date of the donation is material.

I) FOREIGN EXCHANGE

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of transactions. All differences are taken to the accumulated fund in the year.

J) FUND ACCOUNTING

Restricted Funds are donations and other incoming resources which may only be applied to the purposes specified by the obligations of such funds.

Unrestricted Funds are donations and other incoming resources received or generated for the charitable purposes of the organisation.

K) STOCK

Stock is stated at the lower of cost and net realisable value and consists of the cost value of the remaining stock of jewellery, greetings cards, tote bags and T-shirts.

L) DEBTORS

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

M) CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

N) CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation 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 usually recognised at their settlement amount after allowing for any trade discounts due.

O) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

P) COMMITMENTS UNDER OPERATING LEASES

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

Q) PENSIONS

Existing employees of the charity were entitled to join the NEST Pension scheme which is funded by contributions from employee and employer. The employer's contributions made to this defined benefit pension scheme in 2016 were £4,284 (£4,176 in 2015) with an employer's and employee's contribution rate of 3% of pensionable pay.

Note 2

Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Note 3

Donations & Legacies

	Unrestricted Income funds	Restricted Income funds	Total Income Funds Year ended 31/12/2016	Total Income Funds Year ended 31/12/2015
	£	£	£	£
Trust & Institutional Income				
Allan and Nesta Ferguson Trust	-	11,500	11,500	-
Anonymous Donors	-	-	-	32,158
The Ashmore Foundation	-	20,184	20,184	-
Big Lottery Fund	-	167,955	167,955	156,128
British Foreign Schools Society	-	5,500	5,500	-
Bryan Guinness Charitable Trust	-	3,000	3,000	2,993
Constance Travis Charitable Trust	-	-	-	3,000
Evan Cornish Foundation	-	6,000	6,000	-
Gemini Foundation	-	12,000	12,000	13,090
David & Claudia Harding Foundation	-	-	-	5,000
Jersey Overseas Aid Commission	-	129,147	129,147	79,914
LATA Foundation	-	3,000	3,000	3,000
Margaret McEwen Trust	-	-	-	3,000
Maurice & Hilda Laing Charitable Trust	-	-	-	5,000
Open Gate Trust	-	2,000	2,000	3,000
RE Cares	-	-	-	4,030
Souter Charitable Trust	-	3,000	3,000	3,000
Other Grants received (under £3,000)	9,000	7,700	16,700	17,450
	<u>9,000</u>	<u>370,986</u>	<u>379,986</u>	<u>330,763</u>
2015 Income - Unrestricted Income £14,500 and Restricted Income £316,263				
Corporate Donations				
All Corporate Donations received	68,214	36,000	104,214	158,247
	<u>68,214</u>	<u>36,000</u>	<u>104,214</u>	<u>158,247</u>
2015 Income - Unrestricted Income £70,981 and Restricted Income £87,266				
Voluntary Income				
Individual Donations	42,777	1,700	44,477	45,082
Legacies	44,728	-	44,728	71,360
Standing orders and covenants	50,902	1,541	52,443	53,130
Gift Aid relief	15,503	343	15,846	15,508
	<u>153,910</u>	<u>3,584</u>	<u>157,494</u>	<u>185,080</u>
2015 Income - Unrestricted Income £183,322 and Restricted Income £1,758				
Total from Donations & Legacies	<u><u>231,124</u></u>	<u><u>410,570</u></u>	<u><u>641,694</u></u>	<u><u>674,090</u></u>

Note 4

Income from Charitable Activities

Community Fundraising	20,673	2,953	23,626	29,339
Events	23,077	-	23,077	21,205
	<u>43,750</u>	<u>2,953</u>	<u>46,703</u>	<u>50,544</u>
2015 Income - Unrestricted Income £49,725 and Restricted Income £819				

Note 5**Investment Income**

£624 investment income arises from money held in interest bearing current & deposit accounts (£584 in 2015) and £672 from Gains in Exchange.

Note 6**Analysis of Cost of Raising Funds**

	Colombia Office Operation	UK Office Operation	Total 2016	Total 2015
	£	£	£	£
Salaries, Wages and Related costs	11,470	76,575	88,045	81,160
Publications & Specialised Resources	482	5,961	6,443	11,860
Office	-	16,122	16,122	17,254
Training	-	695	695	1,719
Networking & Promotion	-	1,790	1,790	3,863
Event Costs	0	3,075	3,075	3,790
	<u>11,952</u>	<u>104,218</u>	<u>116,170</u>	<u>119,646</u>

Cost of Raising Funds covered by Unrestricted Funds in both 2015 & 2016

Note 7**Analysis of Expenditure on Charitable Activities**

	Direct Project Funding	Support Costs Colombia	Support Costs UK	Total 2016	Total 2015
Neglected Issues	£	£	£	£	£
Sexual and gender based violence against children and young people	217,539	23,028	42,125	282,692	176,090
Violence and exclusion from education	45,091	15,499	28,352	88,942	163,226
Recruitment into armed groups and demobilisation	121,535	24,574	44,955	191,064	88,851
Commercial sexual exploitation of children	27,480	7,122	13,028	47,630	60,738
Poor quality family reunification for street-involved children and care-leavers	0	1,554	2,844	4,398	46,734
Lack of support for care leavers	2,503	70	129	2,702	1,870
	<u>414,148</u>	<u>71,847</u>	<u>131,433</u>	<u>617,428</u>	<u>537,509</u>

Note 8**Analysis of Support for Charitable Activities**

This table shows the cost of the main charitable activities and the sources of revenue used to support these activities

	Costs	Restricted Funds	Net Cost funded from Unrestricted Income
Neglected Issues	£	£	£
Sexual and gender based violence against children and young people	282,692	240,909	41,783
Violence and exclusion from education	88,942	41,860	47,082
Recruitment into armed groups and demobilisation	191,064	131,690	59,374
Commercial sexual exploitation of children	47,630	30,038	17,592
Poor quality family reunification for street-involved children and care-leavers	4,398	0	4,398
Lack of support for care leavers	2,702	2,503	199
	<u>617,428</u>	<u>447,000</u>	<u>170,428</u>

2015 Charitable Activities £537,509 covered by Unrestricted Funds £130,258 and Restricted Funds £407,251

Note 9**Analysis of Governance & Support Costs**

The charity initially identifies the costs. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken (see note 7) in the year. Refer to the table below for the basis of apportionment and the analysis of the governance and support costs.

	Colombia Office Operation	UK Office Operation	Colombia Governance	UK Governance	Total Support Costs 2016	Total 2015	Basis of apportionment
	£	£	£	£	£	£	
Salaries, Wages and Related costs	45,685	79,908	3,462	10,146	139,201	123,307	Based on use of staff time
Monitoring Visits & Project Development	12,943	8,991	-	-	21,934	11,749	Based on country in which activity/visit undertaken
General Office	8,638	22,420	1,119	728	32,905	30,139	Based on use of staff time
Training	-	978	-	-	978	2,395	Based on use of staff time
Networking & Promotion	-	2,516	-	-	2,516	5,383	Based on use of staff time
Audit Fees	-	-	-	4,800	4,800	5,518	Governance
Legal & Other Professional Fees	-	245	-	701	946	239	Governance
Losses on Exchange	-	-	-	-	-	5,329	Losses based on funds held in Colombia
Depreciation	-	-	-	-	-	92	Governance
Total	67,266	115,058	4,581	16,375	203,280	184,151	

2016 Support Costs covered by Unrestricted Funds £162,926 & Restricted Funds £40,354

2015 Support Costs covered by Unrestricted Funds £130,258 & Restricted Funds £53,893

Note 10**Auditors' Remuneration**

	At 31st Dec 2016	At 31st Dec 2015
	£	£
Audit	4800	4,800
	<u>4800</u>	<u>4,800</u>

Note 11**Tangible Fixed Assets**

	Office Equipment £
Cost at 31 December 2016 and 2015	7,977
Depreciation at 31 December 2016 and 2015	7,977
Net book value at 31 December 2016 and 2015	-

Note 12**Debtors**

	Unrestricted Income funds	Restricted Income funds	31st Dec 2016	31st Dec 2015
	£	£	£	£
Accrued Income	89,003	1012	90,015	15,816
Prepayments	2,220	-	2,220	6,591
	91,223	1,012	92,235	22,407

Note 13**Creditors**

	Unrestricted Income funds	Restricted Income funds	31st Dec 2016	31st Dec 2015
	£	£	£	£
Trade Creditors	359	-	359	944
Credit Card	332	-	332	167
Other taxes & social security	8,463	-	8,463	7,570
Accruals	7,061	1,830	8,891	7,190
	16,215	1,830	18,045	15,871

Note 14**Employees**

The average number of employees during the year was 10 (9 in 2015)

	2016	2015
Engaged in Colombian Project Support	5	5
Engaged in Fundraising	4	3
Engaged in Administration	1	1
	10	9

Full time equivalent Employee numbers in 2016 was 8.4 (8 in 2015)

	2016	2015
Engaged in Colombian Project Support	4.8	4.9
Engaged in Fundraising	3.2	2.9
Engaged in Administration	0.4	0.2
	8.4	8.0

Note 14 cont./...

	2016	2015
	£	£
Wages & Salaries	199,974	179,865
Social Security Costs (UK & Colombia)	22,988	20,426
Pension Costs	4,284	4,176
	<u>227,246</u>	<u>204,467</u>

There were no employees earning over £60,000 per annum (31st December 2015 – none).

The total employee benefits including pension contributions included £49,083 for the Chief Executive Officer.

Trustees' Emoluments:

No trustees received, nor is due to receive, any emoluments for the year (31st December 2015 – none).

Trustees were reimbursed £131 for expenses incurred in 2016 (31st December 2015 – £0).

Annual Trustees' liability insurance was purchased for £728 (31st December 2015 - £709).

Note 15

Related Party Transactions

During 2016 there were no transactions with related parties. (Nor in 2015)

Note 16

Analysis of Net Assets Between Funds

	Unrestricted Funds	Restricted Income Funds	Total Funds
	£	£	£
Tangible fixed assets	0	0	0
Current assets:			
Debtors and prepayments	91,223	1,012	92,235
Stock	1,954	0	1,954
Cash at bank and in hand	130,271	4,307	134,578
Liabilities due within one year	(16,215)	(1,830)	(18,045)
	<u>207,233</u>	<u>3,489</u>	<u>210,722</u>

Note 17**Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities**

	Unrestricted Income funds	Restricted Income funds	2016 £	2015 £
Net Income/Expenditure (as per the Statement of Financial Activities)	(10,428)	(33,477)	(43,905)	68,063
Adjustments for:				
Depreciation Charges	0	0	0	158
(Increase)/Decrease in Stock	(1,234)	0	(1,234)	470
(Increase)/Decrease in Debtors	(73,816)	3,988	(69,828)	8,410
Increase/(Decrease) in Creditors	1,618	556	2,174	(467)
Net cash provided by (used in) operating activities	(83,860)	(28,933)	(112,793)	76,634

Note 18**Analysis of Movement in Restricted Funds**

Income contributed specifically for individual projects are credited to restricted income funds, where these funds were received with donor-imposed conditions at the point of receipt.

Restricted Funds	Balance as at 1st January 2016	Income	Expenditure on Charitable Activities		Balance as at 31st December 2016
	£	£	Direct £	Indirect £	£
ACJ Bogota	8,696	21,778	(27,480)	(2,558)	436
Carvajal	713	25,042	(22,801)	(2,954)	0
Casa Amazonia	-	71,824	(67,837)	(4,674)	(687)
Corpolatin	3,715	12,390	(14,790)	(1,315)	0
CRAN	13,300	20,184	(30,984)	(2,500)	0
FFF Own Funds	846	2,084	(2,503)	-	427
Fundescodes	0	57,323	(53,264)	(4,246)	(187)
Si Mujer	1,000	178,399	(156,988)	(18,911)	3,500
Tiempo de Juego	8,696	24,500	(30,000)	(3,196)	0
	36,966	413,524	(406,647)	(40,354)	3,489

Grants from Restricted Funds	406,647
Grants from Unrestricted Funds	7,500

Total Grants to Colombia **414,147**

Note 18 cont./...

Children Change Colombia supports the following institutions :

Partner Organisations	Project Name	Project Description
ACJ Bogota	Preventing the commercial sexual exploitation of children in Bogota	Works through a community base to protect children living in the 'tolerance zone' of Santa Fe (an area where prostitution is legalised and highly visible) and exposed to the risks of commercial sexual exploitation that this involves, as well as with young people who have already been involved in sex work.
Carvajal	Improving the quality and permanence of education in Buenaventura	Provision of educational reinforcement workshops for at risk children during their half day not in school, covering academic and cultural activities.
Casa Amazonia	Indigenous children and young people protecting themselves from sexual violence and forced recruitment	Works in 5 rural, largely indigenous, communities, to protect children against sexual violence and recruitment by making these dangers more visible and helping children to develop the skills to protect themselves and to participate more effectively in the political structures of their community.
Corpolatin	Protecting children against violence and abuse	Free child helpline and outreach support to enable vulnerable children and their families to be heard and to reduce risk situations. Prevention work with children to increase their ability to protect themselves from violence and abuse. Also increases awareness of children's rights among adult duty bearers (parents, teachers, community leaders, police, social services).
CRAN	Supporting demobilised children and young people	Provides a programme of psycho-social support to enable the children and young people who have demobilised from armed groups to recover from the trauma they have experienced, and help them to develop the life skills necessary to reintegrate into society, to access state support to which they are entitled, and to navigate the legal system if necessary.
Fundación Formación d' Futuros (FFF)	Helping young care leavers prepare for independent life.	Supports the ongoing development of the leaving care programme, including the provision of leaving care support to other care providers and promotion of leaving care services regionally and nationally.
Fundescodes	Protecting children from violence and rebuilding protective communities	Supports children and young people to create a programme of sports and cultural activities that promotes their rights and makes visible to others in their community the violations of these rights, mobilising the community to rebuild protective structures that keep children safe.
Fundación Sí Mujer (FSM)	Improving young people's sexual and reproductive health and rights	Youth Friendly Health Care Service aimed at the most vulnerable children and young people, providing high quality, accessible information, services, and training in sexual and reproductive health and rights (SRHR). To increase protection against sexual violence and its consequences, including unwanted pregnancy.
Fundación Tiempo de Juego (TDJ)	Building a positive future for children and young people at risk of gang-related violence and crime	Uses sports and cultural activities to reduce vulnerabilities caused by negative stereotyping and promote education and youth leadership within the community.

