# ANNUAL REPORT & ACCOUNTS 2016/17





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Registered charity 1058991

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Retired 7th December 2016

Elected 3rd May 2017

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Elected 7th December 2016

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Judy Lister (RC Trustee) John Kalage

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Michael Holden (RC Trustee)



## INTRODUCTION BY HAYDN ABBOTT, CHAIRMAN

I am delighted to present you with the trustee report and accounts for 2016/17. Once again I am proud to report significant achievements over the year and I feel confident that the steps we are taking move us ever closer to bringing our vision into sight.

Here in the UK, Railway Children is fortunate to have strong connections to the UK Rail Industry. Our relationship is both a critical source of support in terms of fundraising and also an area in which we believe we can achieve sustainable change for vulnerable children, with the British Transport Police responding to around 5,000 safeguarding reports a year.

We have now trained over 1,085 staff across the rail industry on how to identify and help a potential child at risk, alongside developing a project at Manchester Piccadilly Station to receive referrals from the police, enabling us to offer help and support directly to children found on the rail network. We plan to open another five projects in the coming years, all in stations identified by the police as having a significant number of children at risk and later in 2017 we will be scoping our next location.

I would like to express my thanks to everyone across the industry who has helped us so far with this exciting new project. Your belief in Railway Children and our aim to create a National Safety Network across the UK rail infrastructure will make a tangible difference for children today and into the future. Our work in India and East Africa continues to grow, both in size and achievements.

In East Africa we have been enabled to expand our work to five new major cities across Tanzania where we are focusing on family, street and youth work - key aspects of our work that we highlighted at our extremely successful international conference in November 2016 in Dar es Salaam. I was able to attend and meet some of the 300 delegates who had travelled from over 30 countries to hear about successful ways of working with children suffering from high levels of trauma.

In India our work continues to have a strong emphasis on children living in or around railway stations. We are on a journey to transform 25 stations into child friendly places, working intensively with the railways alongside passengers to ensure the protection of the many tens of thousands of children across the country who live in the stations. Over the last few years we have sought to shift responsibility for children from charitable institutions to child protection systems supported by the Indian Government. This year we have still directly supported 6,241 children, however our conservative estimate is that the work with government Officials has protected in excess of 170,000 children.

I am proud to report that in 2016/17 we reached a new record of charitable spend as an organisation, with £2.89m invested in changing the lives of children living on the streets. We strive to achieve real impact in our work and to ensure that each child who receives help from us is given the very best chance to not only survive the harsh reality of living on the streets but is also enabled to reach their potential. Alongside this important work, we also build the resilience of communities and families and we know that this work helps protect many children not directly engaged in our projects.

During the year we have developed our new five year strategy that builds upon the work we have achieved over the last 22 years. It is our intention to scale our work, to ensure high quality, consistent services at the size of the issue. We are very excited by the hope and opportunity the strategy offers children and we look forward to working with our committed and generous supporters in realising our plans.

I end this introduction by thanking you for your interest and support of Railway Children. It is my continuing belief that together we are making a very real and lasting change in the lives of some of the most vulnerable children.

( - A) ( )

Haydn Abbott, Chairman



# OUR FINANCIAL YEAR IN NUMBERS

173,460

INDICATIVE NUMBER OF CHILDREN CONTACTED AND PROTECTED AT INDIAN RAILWAY STATIONS





UK RAIL STAFF TRAINED

12,416

NUMBER OF YOUNG PEOPLE SUPPORTED THROUGH OUR OUTREACH ACTIVITIES

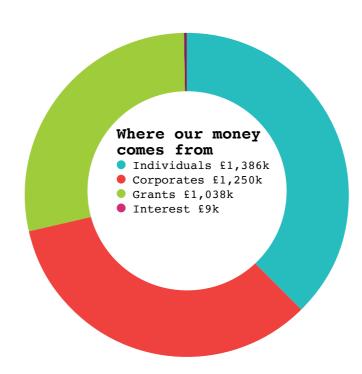


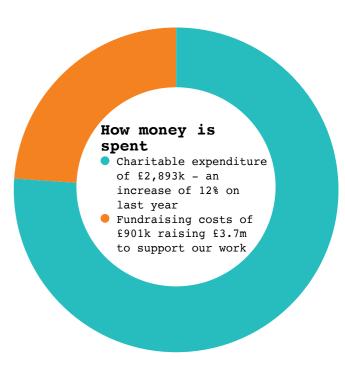
# 4,547 NUMBER OF CHILDREN REINTEGRATED WITH THEIR FAMILIES

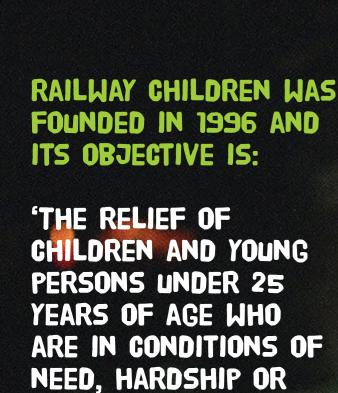




UK CHAMPIONS
IDENTIFIED CONTRIBUTING
TO BOTH OUR OUTREACH
AND INFLUENCING WORK







DISTRESS, ANYWHERE

IN THE WORLD AND IN

ARE LIVING ON THE

STREETS'.

PARTICULAR THOSE WHO

Since then, Railway Children's work has benefitted thousands of children and young people living alone and at risk on the

Our work aims to create and enable sustainable change in the lives of individual children, communities and in the wider policy and practice that affects all children living alone on

The Trustees have considered the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. This report contains an explanation of the significant activities undertaken during the year in order to carry out the charity's aims for the public benefit and also the achievements measured against the objectives set by the

In achieving our aims we focus all of our activity on our three stage change agenda. We recognise that to create, enable and sustain change we need to balance activities around:

- 1. ENSURING THE NEEDS OF CHILDREN ARE MET:
- 2. ENSURING COMMUNITIES WORK TO PROTECT
- 3. ENSURING GOVERNMENTS INCLUDE THE NEEDS OF OUR BENEFICIARIES IN BOTH

By working at all three levels we ensure lasting change, both in the lives of children currently surviving on the streets and those currently at home but living with neglect, violence and/or abuse where the streets might become their only survival option.



### **ACHIEVEMENTS:**

## EAST AFRICA

#### AIM 01

Enable effective contact, support and protection for children and youth on the streets, ensuring; we increase our ability to contact children on the street effectively across the programme in two and seven day time periods. In addition we will support at least 500 additional homeless youth to gain sustainable income.

#### **ACHIEVED**

In 2015 we introduced a timescale measurement of one week before contact as we have found that the target of contacting children in 2 days was too ambitious, particularly in Mwanza. Within this time we achieved contact for 45% of children in 2015 but only 8% of children in 2 days. In 2016-2017, 14% of children in Mwanza were contacted in 2 days, and 55% in one week, showing significant improvement over one year. In Kitale, this measure was only introduced in 2016 where we two days and 75% within a week.

We were able to support 731 older children and youth to increase the level and reliability of their income and to access permanent accommodation.

#### AIM 02

Incidences of children experiencing violence and abuse on the streets are reduced in the bus stands of Mwanza and Kitale by 10% during the year, from a baseline of 97% at the start of the year.

Our successful DFID Aid Match campaign means that our plans to create safer spaces for children at the bus stands of Mwanza and Kitale can now be funded from July 2016. An alternative baseline exercise has been done that records levels of physical violence as experienced by 97% of children in these areas.

#### AIM 03

We will ensure that at least 80% of children reintegrated remain at home and enrolled in school for at least 12 months.

#### **ACHIEVED**

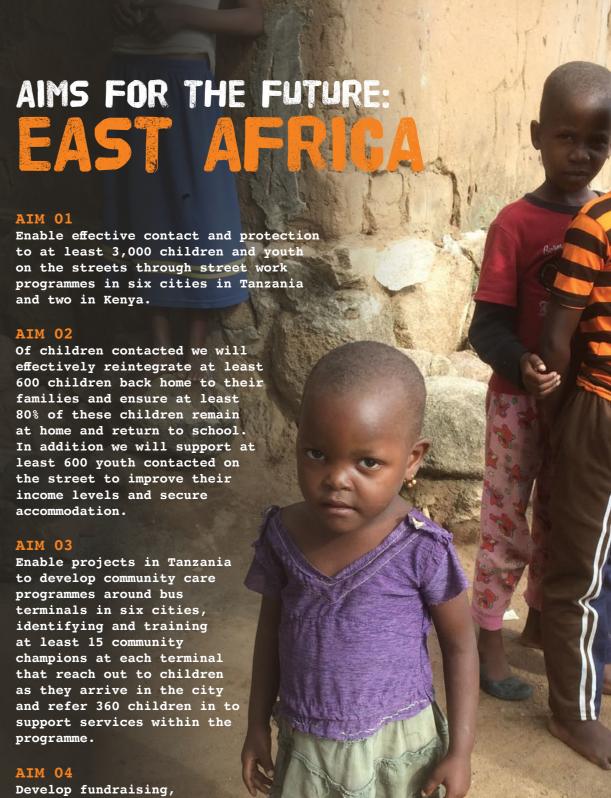
This was largely achieved across the programme. In Mwanza the success rate was 86%, in Kitale 82% and in Nairobi 78%.

Family reintegration remains a focus of our work and we were delighted to cohost with our long standing partner, Juconi, our first international conference 'Breaking the Cycle' in Dar Es Salaam in November 2016. The conference brought together over 300 delegates from over 30 countries, to learn from and share experiences with over 30 experts from academia and practice from around the world, including representatives from our own team and our own partners in the East Africa region. The conference focused on developing understanding of the impact of family violence on child development, a were able to contact 58% of children in child's retention at home and in education and the implications of that for our practice, sharing tools and approaches that delegates could adopt in their work.

#### AIM 04

We will deliver training and support across five local organisations, increasing their capacity to provide Intensive Family Work to their beneficiaries.

As part of the USAID funded 'Kizazi Kipya' project, we have been able to review and enhance our training materials for our key methodologies including family, street and youth work. We now have extensive facilitator's guides, training materials and case management tools for all three methodologies. The five new projects under 'Kizazi Kipya', in five new cities in Tanzania, were contracted at the end of this year, and an extensive training programme begins in June 2017. We have continued to provide ongoing training and support for our existing partners, two in Tanzania and two in Kenya, and for our own project 'Kivuko' in Mwanza.



advocacy and communications plans that support the ongoing organisational development of Railway Children Africa and underpin the delivery of the five year strategic plan.

#### AIM 05

Ensure Tanzanian Government domesticates the International Guidelines on Reintegration and commits to support the adoption of the UN General Comment on Children in Street Situations.

# WORKING WITH OUR PARTNERS IN EAST AFRICA DURING 2016/17 WE HAVE ACHIEVED THE FOLLOWING:

#### COET, MWANZA, TANZANIA

Total support 2016-17 £99,739 Unrestricted designated funds 2017-18 £14,143

The programme provides the resources needed to explore possibilities of children returning home to their families and communities. The girls' centre has now received registration whilst the boys' centre is still awaiting registration following relocation. Work in the community with families and self-help groups ensures children are able to remain safe in a family environment, and prevented from migrating to the streets.

#### UPENDO DAIMA, MWANZA, TANZANIA Total support 2016-17 £17,935

Early intervention for new children on the streets in Mwanza, providing shelter as they work to reintegrate them back home. They provide educational support to children at the centre and reintegrated children.

#### KIVUKO, MWANZA, TANZANIA

Total support 2016-17 £160,656 Unrestricted designated funds 2017-18 £48,434

Railway Children's first direct delivery project focuses on street work and family reintegration. Youths based on the street are supported to form 'associations' and develop life skills, including vocational and business skills to ensure improved opportunities and income generation.

## CHILD RESCUE KENYA, KITALE, KENYA

Total support 2016-17 £193,600 Unrestricted designated funds 2017-18 £14,619

Provide food, shelter, friendship and hope for children on the streets in Kitale, focusing on family repatriation, if appropriate, or offering longer term support. Biointensive agriculture forms an important service ensuring families have food and generate an income.

#### UNDUGU SOCIETY, KENYA

Total support 2016-17 £113,561 Unrestricted designated funds 2017-18 £17,061

Creating innovative and pioneering street children associations across Nairobi and Kisumu offering positive opportunities for new and existing street children. Intensive family work ensures relationships in families are improved.





# ACHIEVEMENTS: INDIA

#### AIM 01

12 partnerships protect and support 9,600 children at railway stations, source areas and government children homes. As a result of which, 4,300 children will be reintegrated with their families, and a further 1,200, for whom reintegration is not a suitable option, will be referred to long-term care.

#### **ACHIEVED**

We have reached and supported 9,732 children in railway stations, government homes and local communities. As a result:

- 5,642 children accessed drop-in shelters
- 4,401 children have been successfully reintegrated with their families
- 965 children have been referred to long stay homes where reintegration was not possible
- 2,374 children have been protected in communities through school admissions
- 1,117 families were linked to government welfare schemes

#### AIM 02

Five communication tools will reach out to around two million people and ensure that 300,000 passengers and general public are engaged on issues of child protection.

#### **ACHIEVED**

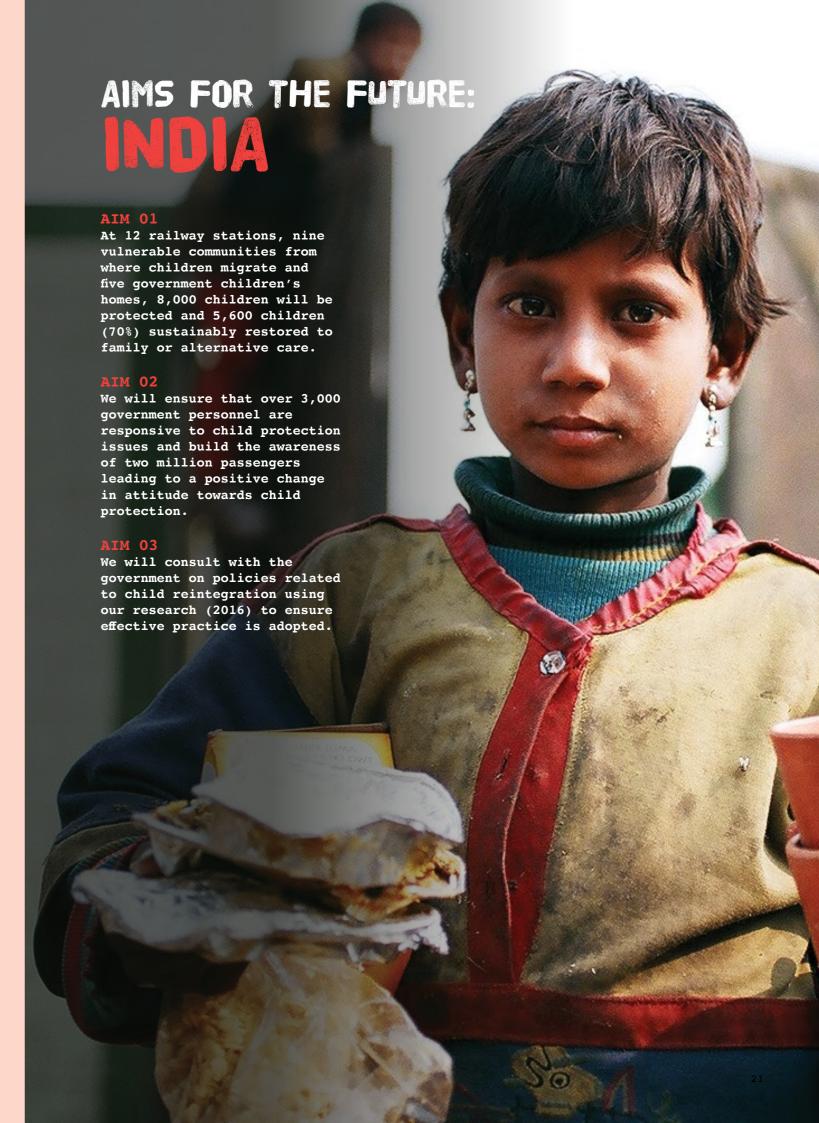
- 129 banners were displayed in 17 stations during festivals for a three month period. We estimate that 5% of passengers, around six million, have therefore received awareness of child protection
- 21,000 leaflets in English and local languages regarding child protection messages were printed and distributed
- Workshops and consultations were reported in five regional print media and three regional electronic media platforms. We estimate that messages on child protection reached out to 3.14 million people which is 10% of the total readership

#### AIM 03

We will ensure that over 3,000 officials from Indian railways and administrations of four districts will be responsive to child protection issues, indirectly supporting 250,000 children.

#### **ACHIEVED**

 We have trained 2,435 officials from the Indian Railways and 456 child protection officials from local districts in the community, indirectly protecting 173,460 children in total



# WORKING WITH OUR PARTNERS IN INDIA DURING 2016/17 WE HAVE ACHIEVED THE FOLLOWING:

## BMCDM, South 24 Parganas, West Bengal

Total support 2016-17 £41,504 Unrestricted designated funds 2017-18 £22,239

Work in communities to re-enrol children in education, support families in alternative livelihoods and prevent out migration of children

#### CHES, TAMIL NADU

Total support 2016-17 £34,442 Unrestricted designated funds 2017-18 £9,367

Support in Royapuram Government Home for Boys, which houses 125—150 children. Project workers ensure a child friendly environment. Boys are reunified with their families where possible.

#### CINI ASHA, KOLKATA, WEST BENGAL Total support 2016-17 £61,664 Unrestricted designated funds 2017-18 £3,648

- Drop-in centres and night shelters at Sealdah North & South Stations, Silliguri and Azimganj
- Transit home near Sealdah station
- Child Assistance Booth at the
- Home placement programme and referrals to other organisations and boarding schools
- Networking for a coordinated effort to make Sealdah, Silliguri and Murshidabad child-friendly stations

#### GRASIM, ANDHRA PRADESH

Total support 2016-17 £9,977

- Outreach at Tirupati, Tirumala and Renigunta railway stations
- Child Assistance Booth at Tirupati
- Reunification programme

HASUS, SOUTH 24 PARGANAS, WEST BENGAL

Total support 2016-17 £15,125
Work in communities to re-enrol
children in education, support families
in alternative livelihoods and prevent
out migration of children

#### JEEVODAYA, MADHYA PRADESH

Total support 2016-17 £60,709

- 24 hour drop-in centres, outreach and residential homes for boys and girls children from Itarsi
- Networking to create a child friendly station at Itarsi
- Home placement programme

#### NARAYANI SEVA SANSTHAN, BIHAR

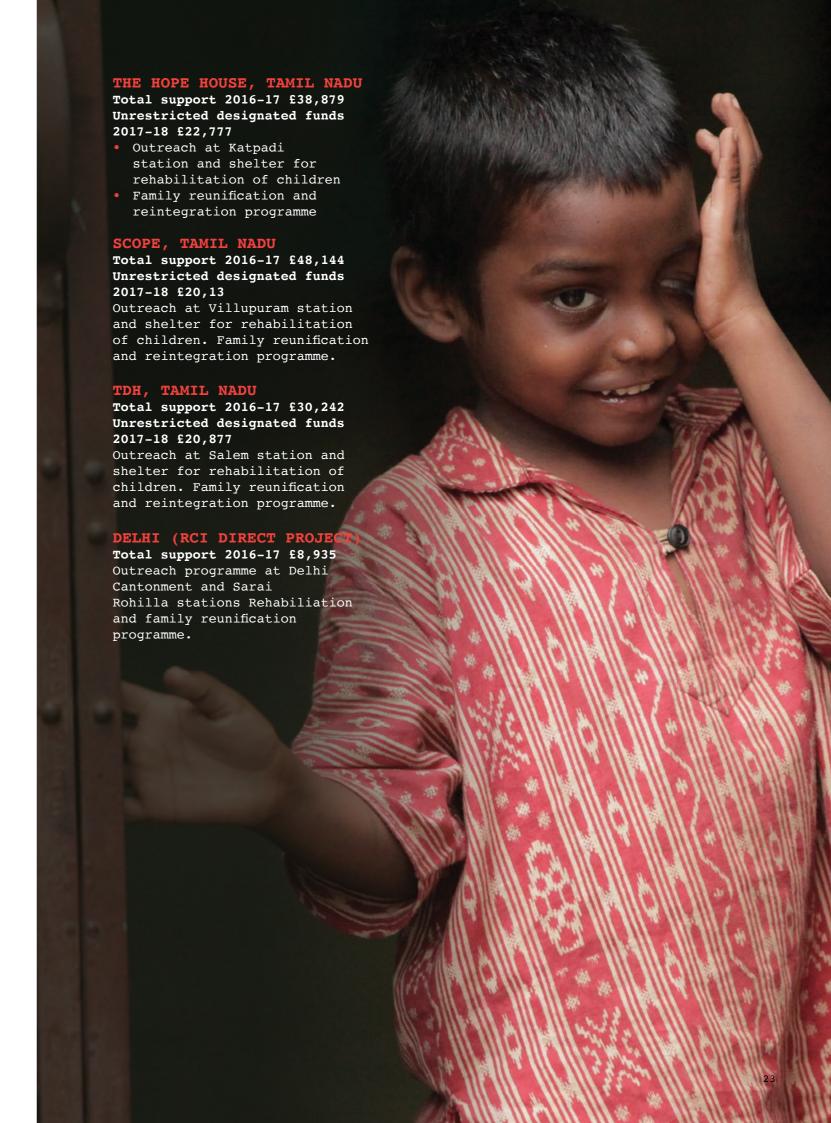
Total support 2016-17 £44,209 Unrestricted designated funds 2017-18 £20.877

- Outreach at Darbanga station and shelter for rehabilitation of children
- Family reunification and reintegration programme including school enrolment campaign

#### PRAAJAK, WEST BENGAL

Total support 2016-17 £67,869 Unrestricted designated funds 2017-18

- Outreach work to platform children at 12 stations on the line from Kolkata to New Jalpaiguri and supporting shelters at three of these stations
- Home placement programme
- Training and sensitisation of RPF at the RPF
- Training Institute at Kharagpur





### **AGHIEVEMENTS:**

## UNITED KINGDOM

#### AIM 01

To develop protocols and processes with To engage government departments the British Transport Police (BTP) and regional police to work together to safeguard vulnerable children and young

#### **ACHIEVED**

Following the launch of our Safeguarding on Transport (ST) programme in 2015, we have continued to work in partnership with the BTP to understand the issue and scale of vulnerability within the transport network. We have used research and analysis to influence how best to create a National Safety Network for vulnerable children and adults on and around the UK transport system.

In 2016, the BTP dealt with nearly 5,000 child safeguarding incidents of which a high proportion (33%) were children who had run away or gone missing. This is an increase of 26% over the previous year and can partly be attributed to the ST programme, the awareness element of which has trained individuals in the rail industry how to identify vulnerable people and respond or report to the BTP. Our awareness training has been focused at stations with the highest level of safeguarding incidents, of which Manchester Piccadilly is consistently number one.

In order to secure the future of the programme and formalise our partnership with the BTP we have signed a Memorandum of Understanding and an Information Sharing protocol. The Safeguarding on Transport Programme is also named in the BTP's 'safeguarding strategy' for 2015-2019.

#### AIM 02

such as the Department of Transport and Department of Education to have policies and initiatives in place to support children who have runaway or are alone and at risk.

#### **ACHIEVED**

We submitted written evidence to the Transport Select Committee safety review in January 2017 and appeared in front of the panel in March 2017 to provide evidence on improvements and progress with regards to Safeguarding on Transport. We advised that in order for the Safeguarding on Transport Programme to be adopted to a greater extent by the Rail Industry there would need to be a formal requirement for safeguarding to be introduced by the Department for Transport or an advisory body such as the Rail Delivery Group (RDG).

Through continued engagement, the Department for Transport has agreed to include a safeguarding element into the Secure Station Accreditation (SSA) scheme which is currently under review and expected to be relaunched in autumn 2017. They have also agreed to discuss how Safeguarding can be included within the franchise agreements governing rail operators.

Following ongoing engagement with the Rail Delivery Group (RDG), the new Policing and Security Co-ordinator has indicated that a three year strategy is under development in which they would like Railway Children to advise with regard to safeguarding.

#### AIM 03

To design and plan a transformational strategy that aims to create a national safety network.

#### ACHIEVED

Responses that vulnerable children receive on and around the transport system are limited to a return to their place of residence and/or a referral to social care. It is unclear if this resolves the complex issues children face, however the number of repeat runaways with whom the BTP intervene would suggest this response is inadequate.

In order to address this issue we have developed a strategy which will

- Create a National Safety Network for vulnerable children and adults on and around the UK transport system through the Safeguarding on Transport awareness programme
- Use our privileged relationships in the rail industry to make interventions with children 'at risk' as identified by the BTP and
- Ensure that any child identified on the transport system is offered the help they need to remain safe and achieve their potential

This is achieved in three ways

- 1. Safeguarding on Transport awareness training increases transport staff's ability to recognise and respond effectively to vulnerable children and
- 2. Safeguarding on Transport Hubs will be developed at stations where safeguarding incidents are highest. Hubs involve the station community (Train Operating Companies, retailers, suppliers and Police) working in partnership with Railway Children to protect and safeguard vulnerable children and adults.
- 3. Safeguarding on Transport Projects. At key locations across the UK, Railway Children project workers will be based within the station community. They will assess the needs of children referred from BTP and provide ongoing one-toone support, family work or mentoring as appropriate. The first project will be based in North-West England.

We will deliver our Safeguarding on Transport (ST) training programme to stakeholders in the transport industry, building awareness and momentum in protecting vulnerable children across the network.

#### **ACHIEVED**

Following feedback from the rail industry, the safeguarding awareness programme was revised to include information on how to identify and support vulnerable adults as well as children and was relaunched as Safeguarding on Transport (ST) in November 2016 by the Rail Minister.

We have continued to engage with the Rail Industry to promote the programme and enable it to be recognised, understood and adopted.

In order to make both the champions training and awareness sessions more accessible we are developing on-line training resources which will support the rollout and reporting of the





# WORKING WITH OUR PARTNERS IN THE UNITED KINGDOM DURING 2016/17 WE HAVE ACHIEVED THE FOLLOWING:

#### LONDON

#### Total support 2016-17 £20,913

New Horizons provided advice, guidance and advocacy for young people aged 16/17 who were running away or going missing, being forced from home, vulnerably housed, or who were spending large amounts of time on the streets or who are homeless.

#### SOUTH YORKSHIRE

#### Total support 2016-17 £69,004

SAFE@LAST delivered family work to help resolve conflict and issues at home that ultimately impact on young people's running and missing behaviour.

#### NEWCASTLE

#### Total support 2016-17 £19,844

Depaul carried out a feasibility study into extending their Nightstop service to young people aged u16. This was not found to be viable, but resulted in us supporting the increased promotion of their services to 16/17-year-olds and targeted education sessions in schools.

#### LIVERPOOL

#### Total support 2016-17 £144,582

Action for Children's Liverpool Young Runaways project enhanced and developed their response to young people who were missing or running away in the city. This included 1:1 intensive work, family work, and targeted education.

#### **CROYDON**

#### Total support 2016-17 £46,668

Safer London delivered work to young people who were missing or running away. This included 1:1 intensive work, family work and targeted education programmes as well as consultation and advice to other professionals.

#### **UK SERVICES**

### Designated unrestricted funds 2017-18 £359,591

- Safeguarding on Transport awareness training.
- Safeguarding on Transport Hubs to protect and safeguard vulnerable children and adults.
- Railway Children project workers based within the station community to assess the needs of children referred from the BTP and provide ongoing one-to-one support, family work or mentoring as appropriate.

### **ACHIEVEMENTS:**

# FUNDRAISING & COMMUNICATIONS

#### AIM 01

We will ensure consistent use of brand assets and we will provide the tools and support to facilitate this. In addition to the support provided by our in-house marketing team in the UK, we will use digital technology to build the skills and knowledge of overseas staff, enabling them to access materials and tools available to the team in the UK.

In order to nurture a collaborative environment, we will develop digital channels and tools that allow the two-way contribution and sharing of marketing assets such as latest documents, artwork, videos and images. We will enable the teams to work more closely and provide rich, engaging content to be shared with our numerous internal and external stakeholders.

#### **ACHIEVED**

New digital asset management platforms have been introduced and shared across the organisation. The brand assets are now being used across the organisation and the marketing team are ensuring the production and use of consistently high quality materials to support the overseas teams.

Further work will be needed with all departments to encourage full use of the platforms and ensure consistent approach to media storage. Progress has been made with both teams in India and East Africa and support will continue as new team members develop in their roles.

#### **AIM 02**

We will support our UK team to increase public support and engagement in our UK programme of work. As the advocacy and in-country funding opportunities in East Africa and India continue to flourish, we will support our teams to deliver high quality communications which portray

Railway Children as the 'go-to' agency for children living alone and at risk on the streets. We will provide a strong communications plan to support the team in meeting their programme and advocacy objectives whilst helping to secure income from new funding partners.

#### **ACHIEVED**

The marketing team is actively supporting our overseas teams, producing high calibre communications in support of all advocacy goals. The consistent use of branded materials has helped to secure support and funding across all our programmes and we have seen demand for marketing services increase as a result of this success. The launch of our first international conference in Tanzania was a significant success for our international programme and the work undertaken with our UK programme team has contributed to significant milestones as we seek to create a national safety network on UK transport.

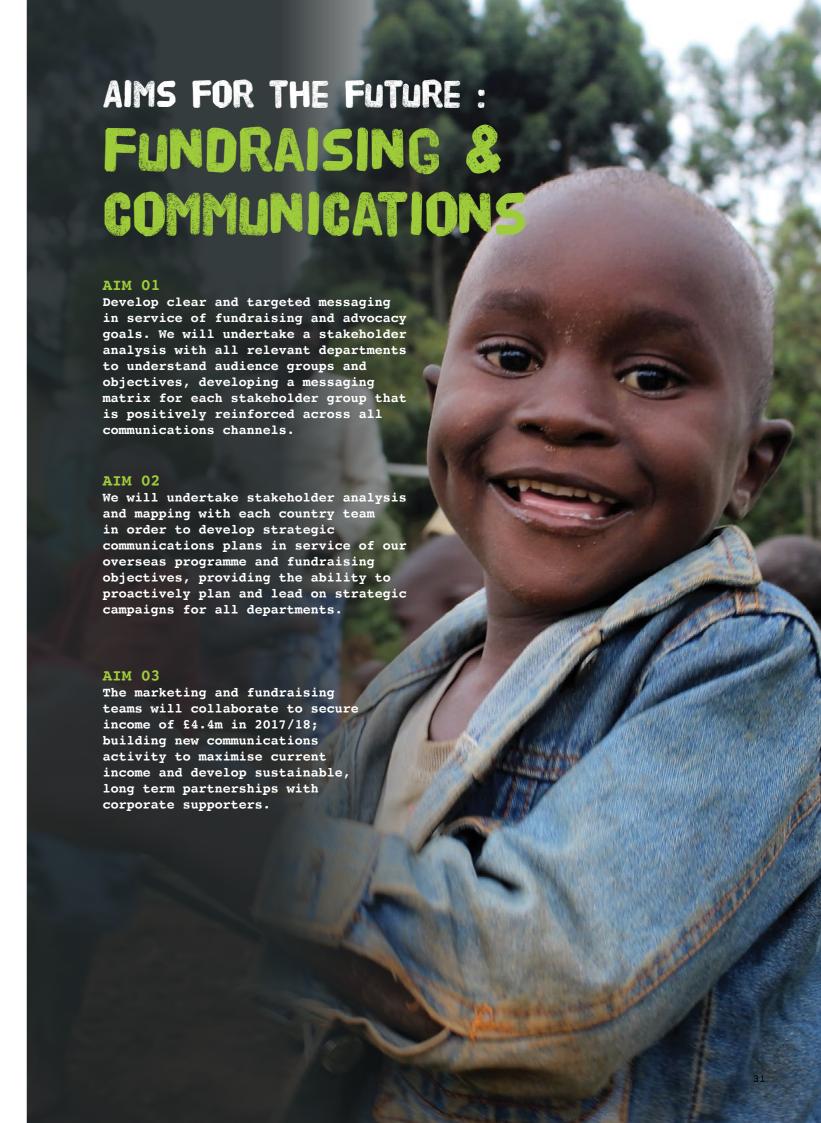
Marketing support is also gathering momentum in India as we look to broaden communications in support of an ambitious expansion programme.

#### AIM O

The marketing and fundraising teams will collaborate to secure income of £3.2m in 2016/17; building new communications activity to maximise current income and develop sustainable, long term partnerships with corporate supporters.

#### ACHIEVED

The marketing and fundraising teams have worked closely this year to increase activity and the depth of communications across all funding areas. New activities were added to the programme and traditional areas were also developed further, resulting in a record year with income achieving £3.68m.



# FINANCIAL RESULTS

#### INCOME

The total income for the year was £3.68m with £2.66m of unrestricted and £1.02m of restricted income. Within these amounts grant income contributed £1.04m. Corporate contributions included £0.52m from the Railway Ball, £0.37m from a special train (The Railway Children Pullman) and £0.96m from other corporate fundraising including our events programme. Our individual giving programme raised £0.63m.

#### CHARITABLE ACTIVITIES

The total charitable expenditure delivered in the year was £2.89m an increase of £0.30m (12%), the highest ever charitable spend by the organisation in a year. This expenditure made up 76.3% (previous year 77.8%) of total expenditure. Our geographically focused charitable activity divided between our Indian programme at 35% (previously 36%); our UK programme at 21% (previously 24%) and our East African programme at 44% (previously 40%). Our work in the year has focussed on achieving high impact, enabling more children to be helped than our own resources would otherwise permit.

#### COST OF RAISING FUNDS

Cost of raising funds accounted for 24.4% of our total income which is the same as the previous year. These costs were a mixture of staff, event costs and mailing activity.



## STRUCTURE, GOVERNANCE AND MANAGEMENT

The Railway Children organisation is a charitable company limited by guarantee 3265496, Registered Charity No. 1058991, incorporated on 18 October 1996 and registered as a charity on 5 November 1996.

The Company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the Trustees, who form the Board of Trustees, are elected at the Annual General Meeting to serve a period of three years, with one third of their number retiring at each AGM.

The Memorandum and Articles of Railway Children express its objects as "the relief of children and young persons under 25 years of age who are in conditions of need, hardship or distress, anywhere in the world and in particular those who are living on the streets".

Railway Children Trading Limited is a wholly owned subsidiary company (number 6533182) limited by shares. The company is registered for VAT and is used by Railway Children to conduct its trading activities. All profits are gift aided to the parent charity.

Railway Children Africa is a company limited by guarantee registered in Tanzania (number 7769). The majority of the board consists of Railway Children representatives. The company manages our operations in Tanzania. The results for this company are consolidated into the accounts.

Railway Children India is a section 25 company registered in India and commenced operations in FY2015-16.

#### VISION AND BELIEFS

As an organisation Railway Children recognises that the environment in which we operate in is one of uncertainty and constant change. The

resources we rely on in order to meet our charitable aims are both competitive and subject to everchanging trends, whilst our beneficiary environment is one that varies frequently.

In response to this we construct our organisation so we can be as flexible and as innovative as possible. We nurture a culture that is both informal and open without compromising on accountability or professionalism.

This culture reflects a commitment to making a lasting change in the lives of children at risk on the streets and is informed by our stated beliefs which work together to underpin all that we do:

'Our vision is a world where no child ever has to live on the streets'

#### OUR BELIEFS

Integrity: We will always act with
integrity towards our supporters,
partners and peers, acting in the best
interests of our beneficiaries at all
times.

Bravery: We are not afraid to push the boundaries, try new things or challenge the status quo in order to change the world for children living on the streets.

Innovation: We are constantly reviewing our work to find new and improved ways of doing the best for our beneficiaries. We push ourselves to deliver sector leading work in the interests of children living on the streets.

Effectiveness: Our work is constantly judged on results and impact and then assessed to ensure maximum return on investment both in our programme outputs and financially. Every penny of donors' money is invested with care and attention to detail.

### GOVERNANCE - TRUSTEE RESPONSIBILITIES

As a charity accountable to all our donors, we must meet the requirement that our resources are carefully managed and our legal responsibilities met.

Since incorporation the Railway Children Trustees have been the organisation's governing body. Trustees hold ultimate legal responsibility for the charity and collectively ensure delivery of our objectives, set our strategic direction and uphold our values as an organisation.

The key responsibilities of the Trustees are:

- Development and annual review of the charity's performance from definition of concepts to approval of the strategic direction.
- Setting objectives for the development and review of our strategic plan, including approval on annual budgets and plans.
- Approval of the Annual Report and Audited Accounts.
- Identification of and management of risks.
- Appointment of Sub-Committees and delegation of powers.
- Appointment, terms and conditions and delegated powers of the Chief Executive.
- Monitor compliance with both company and charity law.
- The stewardship of assets.

Railway Children operates under the guidance of a Board of Trustees and its Finance and Audit Sub-Committee. The implementation of the Trustees' plans and policies, and the responsibility for performance is vested in the Chief Executive.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total amount of such guarantees at 31 May 2017 was £550 (2016 - £510). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

### RECRUITMENT AND APPOINTMENT OF TRUSTEES

Under the requirements of the Articles of Association, all members of the charity are permitted to stand for election as Trustees at the Annual General Meeting. The Trustee body has the necessary powers to appoint a new Trustee at any time. Any such appointed Trustee can hold office until the next Annual General Meeting, when they can stand for election.

One third of all, being the longest standing Trustees, retires in rotation and is eligible for re-appointment at the Annual General Meeting. The minimum number of Trustees is set at three and currently there are fifteen. There is no set maximum number.

#### TRUSTEE INDUCTION AND TRAINING

Members of the charity who are considering standing as a Trustee are invited to attend Trustee meetings, to allow them to get to know the charity and the roles and responsibilities of a charity Trustee. Additionally, new Trustees are encouraged to attend an induction meeting, led by the Chairman and the Chief Executive. The meeting covers the following aspects:

- Background to and history of the charity and the context in which it operates.
- The principal responsibilities of a charity trustee.
- A summary of the charity's governing documents.
- The charity's current financial position and forecasts.
- The strategic plan and current progress against objectives.

A Trustee manual exists to assist both new and existing trustees in the discharge of their responsibilities. The manual, which is reviewed annually and was comprehensively updated in 2015 includes governance and operational policies, the Memorandum and Articles, role descriptions of officers and current delegations. Trustees are encouraged to keep themselves up to date through appropriate training.

## STRUCTURE, GOVERNANCE AND MANAGEMENT CONT.

#### REMUNERATION POLICY

Railway Children commits to recruiting and paying all our staff up to the median rate, determined by an independently benchmarked scale that is reviewed every three years.

The data used for the benchmark cuts the data in five ways to ensure salaries are fair and competitive, the five categories used to determine salary levels are - rank, charity income, number of employees, charitable focus and charity location.

The Trustees and senior staff have produced a comprehensive business plan setting out the major opportunities available to the charity and the risks to which it is exposed. All risks are reviewed and updated annually by the risk sub-committee and the Board of Trustees. As part of this process, the Trustees have implemented a risk management strategy, which comprises:

- an annual review of the risks which the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

The key strategic risks for 2016-17 identified by this process were securing ongoing funding and recruitment and retention of suitable staff.

#### RESERVES

The Board of Trustees reviews the charity's reserves policy annually. The basis of Railway Children's reserve policy is:

- To protect the continuity of our work, including specified liabilities;
- To protect the long term commitments made to our partners; and
- To provide capacity to invest in innovative programme activities that may initially be difficult to fund.

To achieve the above a minimum reserve is defined as being three months of our core unrestricted expenditure. Our target reserve is based upon the level required to enable the following year's programme to be funded and close at the guideline reserve level and is expressed as the opening reserve position for the following year's budget.

The reserve levels for FY2016-17 were a minimum reserve level of £0.68m with a target reserve to fund the FY2017-18 programme of £1.74m.

The closing unrestricted reserve for the year was £1.69m which was £0.05m below the target level. Of the unrestricted reserve £0.62m is designated for programme work over the next twelve months. This work is outlined in each programme section of this report and a regional breakdown of the designation given in note 23a of the accounts.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of Railway Children for the purposes of company law, are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trustees are responsible for the charitable company and the group and the incoming resources and application of resources, including the income and expenditure, of the charitable company / group for that period.

In preparing these 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;
- make judgments and accounting 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 operation.

The Trustees are responsible for keeping proper accounting records that 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **AUDITORS**

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware;
- The Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

A resolution to re-appoint Sayer Vincent LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Havdn Abbott Chairman of the Board Date: 13th September 2017

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAILWAY CHILDREN

#### RESPECTIVE

We have audited the financial statements of Railway Children (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 May 2017 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial
statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 May 2017 and of the group's 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified materialuncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements 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; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAILWAY CHILDREN CONT.

#### RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 auditor's 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a quarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Jonathan Orchard (Senior statutory auditor)
Date: 29th September 2017

For and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y OTL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies  ${\tt Act}$  2006

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(incorporating Income & Expenditure Account) for the year ended 31 May 2017

Incoming Resources	Notes	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Donations and Legacies Charitable Activities	3	1,824,911	50,090	1,875,001	1,726,609
Outreach		15,068	222,489	237,557	149,626
Shelter		18,985	280,327	299,312	225,899
Reintegration		30,642	452,451	483,093	471,869
Influencing		1,170	17,288	18,458	10,617
Other trading activities		759,555	764	760,319	435,277
Investments	4	9,150	-	9,150	18,982
Total Income		2,659,481	1,023,409	3,682,890	3,038,879
Expenditure on:					
Fundraising		901,101	-	901,101	739,972
Charitable Activities					
Outreach		335,906	299,789	635,695	523,847
Shelter		429,799	384,981	814,780	710,923
Reintegration		690,993	583,592	1,274,585	1,196,381
Influencing		130,466	37,490	167,956	156,265
Total Expenditure	5	2,488,265	1,305,852	3,794,117	3,327,388
Net Income / (Expenditure)		171,216	(282,443)	(111,227)	(288,509)
Transfer between funds		-	-	-	-
Reconciliation of Funds					
Total funds brought forward	23	1,521,389	388,517	1,909,906	2,198,415
Total funds carried forward		1,692,605	106,074	1,798,679	1,909,906

All of the above results are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities. Accordingly no statement of total recognised gains and losses are given. All restricted funds received and expended relate to income funds.

## CONSOLIDATED AND PARENT BALANCE SHEET

As at 31 May 2017

			Group		Charity
No	tes	2017	2016	2017	2016
		£	£	£	£
Fixed Assets					
Tangible Assets	11	37,338	32,864	16,006	24,434
Investment in Railway Children		-	_	100	100
Current Assets					
Debtors & Prepayments	18	150,154	71,792	330,894	84,702
Short Term Deposits		400,000	600,000	400,000	600,000
Cash at Bank & in Hand		1,441,112	1,364,865	1,160,229	1,290,448
	-	1,991,266	2,036,657	1,891,123	1,975,150
Current Liabilities					
Amounts Falling Due					
within One Year	19	(229,925)	(159,615)	(167,214)	(137,469)
Net Current Assets	-	1,761,341	1,877,042	1,723,909	1,837,681
Net Assets	20	1,798,679	1,909,906	1,740,015	1,862,215
Funds	-				
Unrestricted Income Funds					
General Funds		1,094,844	776,668	1,067,294	756,805
Designated Funds		597,761	744,721	597,761	744,721
Restricted Income Funds		208,020	404,564	176,906	376,736
Restricted Income Funds in Defic	ni+	(101,946)	(16,047)	(101,946)	(16,047)
Restricted income runds in Dent	JI L	(101,540)	(10,047)	(101,940)	(10,047)
Total Funds	20	1,798,679	1,909,906	1,740,015	1,862,215

The financial statement of Railway Children, registered number 03265496, were approved by the Board of Trustees on 13th September 2017 and signed on its behalf by

Haydn Abbott

Chairman of the Board

Trevor Winter Honorary Treasurer

## CONSOLIDATED STATEMENT OF GASH FLOWS

for the year ended 31 May 2017

		2017		2016	
	Note	£	£	£	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities			89,862		(158,231)
Cash flows from investing activities:		400 165		404 000	
Purchase of fixed assets	11	(20,165)		(21,290)	
Net cash provided by/(used in)	investing a	activities	(20,165)	_	(21,290)
Change in cash and cash equiv	valents in t	the year	69,697		(179,521)
Cash and cash equivalents at t	he beginning	g of the year	1,364,865		1,545,425
Change in cash and cash equ	ivalents di	16			
to exchange rate movements			6,550		(1,039)
Cash and cash equivalents at t	he end of th	ne year	1,441,112		1,364,865
Reconciliation of net incom		•			
to net cash flow from operat	ing activit	ties	2017		2016
			£		£
Net income/(expenditure) fo	_		(111,227)		(288,509)
(as per the statement of fin Depreciation charges	ancial act	ivities)	15,691		8,791
Exchange (Gains)/Losses			(6,550)		1,039
(Increase)/decrease in shor	t term depo	osits	200,000		,
(Increase)/decrease in debt	_		(78,362)		138,478
Increase/(decrease) in cred	itors		70,310		(18,030)
Net cash provided by/(used i	n) operatin	g activities _	89,862	_	(158,231)
Analysis of cash and cash e	quivalents				
_		At 1 June 2016	Cash flows	Other	2017
Good at harb and harb		£	£	£	£
Cash at bank and in hand		1,364,865	69,697	6,550	1,441,112
Total cash and cash equi	valents	1,364,865	69,697	6,550	1,441,112
•		-	•	•	

## NOTES TO THE FINANCIAL STATEMENTS

#### 01 ACCOUNT POLICIES

The financial statements are prepared under the historic cost convention. 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 account, for the charitable company 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (August 2014) and the Companies Act 2006.

As explained in the Trustees' Report, after making enquiries, the trustees have a reasonable expectation and no material uncertainties that Railway Children has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### RECONCILIATION WITH PREVIOUSLY GENERALLY ACCEPTED ACCOUNTING PRACTICE (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 June 2014. No transitional adjustments were required.

#### BASIS OF CONSOLIDATION

The Group financial statements consolidate the financial statements of Railway Children and its wholly owned subsidiary undertakings drawn up to 31st May each year. The results of the charitable company and its whollyowned subsidiaries Railway Children Trading Limited, Railway Children Africa Limited and the overseas entity over which the charity has control through membership, Railway Children

India, are consolidated on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

#### PUBLIC BENEFIT ENTITY

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

#### INCOMING RESOURCES

All income is recognised in the statement of financial activities when the conditions for receipt have been met, it is probable that the income will be received and that the amount can be measured reliably. Where a claim for Income Tax has or will be made, such income is grossed up for tax recoverable. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. The following accounting policies are applied to income:

#### GIFTS IN KIND AND DONATED GOODS & FACILITIES

Assets given for use by the charity are recognised as incoming resources at their estimated market value when receivable. If they form part of the fixed assets at the year-end they are included in the balance sheet at the value at which the gift was included in incoming resources. Donated facilities are included at their estimated value and the corresponding expenditure included under the appropriate heading. All estimates of value of gifts are estimated as the value to the charity

of the service or facility received; being the price the charity estimates it would pay in the open market for a service or facility of equivalent utility to the charity.

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in other expenditure.

#### LEGACIES

For legacies that can be estimated and receipt is reasonably assured, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable The allocations for the year were: when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed if material.

#### **GRANTS RECEIVED**

Grants are recognised when the conditions of entitlement are met.

#### CHARITABLE EXPENDITURE

Charitable expenditure includes expenditure directly related to the objects of the charity and comprises grants payable, accounted for when the trustees have approved such grant and instruction is given to the charity's bankers. In addition costs incurred in transmitting project grants to those projects, and the cost of visits by trustees and staff to assess, monitor and develop the work of these projects is accounted for on an accruals basis. Salary costs for co-coordinators in India, Programme Development Manager, National Policy and Strategy Officer, National Research & Strategy Manager and a proportion of the CEO salary are included as this work is concerned with the development of the management

of and enhancement of capacity of the projects supported are also accounted for on an accruals basis. Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

#### ALLOCATION OF OPERATING COSTS

The charity's operating costs are accounted for on an accruals basis and are allocated between costs of generating funds, charitable expenditure and governance. Wherever possible the costs are positively identified and specific to the activity, in other cases such as office provision and some staff costs a percentage allocation of total cost is made based upon an estimate of staff time attributable to each activity.

PERCENTAGES		UK SUPPORT	STAFF
	CEO	Marketing	Finance
		& Comms	& Admin
Charitable	33%	60%	34%
CORF	33%	40%	44%
Governance	34%		22%
	100%	100%	100%

	Other costs	Depreciation
Charitable	40%	44%
CORF	58%	50%
Governance	2%	6%
	100%	100%

#### TANGIBLE FIXED ASSETS

The fixed assets are limited to equipment, furniture and fittings and are capitalised where the purchase cost exceeds £1,000. Depreciation is provided on these assets in equal annual instalments over the estimated lives of the assets as follows:

Office Equipment - 4 years Display Equipment - 4 years Furniture & fixtures - 5 years

#### FUND STRUCTURES

been received without any conditions from donors. Some unrestricted funds have subsequently been set aside by Railway Children as designated funds where they have been ear-marked to fund a specific partner from unrestricted funds.

Where funds have been received from donors for particular purposes these are represented as restricted funds. Transfers are made between restricted funds to represent changes agreed with the donor of the funds.

#### FOREIGN CURRENCY

Transactions in foreign currencies are converted at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are converted at the rate of exchange prevailing at the balance sheet date. Exchange rate differences are taken into account in arriving at net incoming resources for the year.

#### INVESTMENTS

In the charity balance sheet, investments in the subsidiary are shown at cost less provision for impairments.

#### **PENSIONS**

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

#### **OPERATING LEASES**

Rental charges are charged on a straight line basis over the term of the lease.

#### INVESTMENTS IN SUBSIDIARIES

Unrestricted funds are where funds have Investments in subsidiaries are at cost.

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.

#### CASH AT BANK AND IN HAND

Cash at bank and cash 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. Cash balances exclude any funds held on behalf of service users.

#### CREDITORS AND PROVISIONS

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

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### 02 DETAILED COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

				2016
		Unrestricted	Restricted	Total
	Note	£	£	£
Income from:				
Donations and Legacies	3	1,673,242	53,367	1,726,609
Charitable Activities	3	59,034	798,977	858,011
Other trading activities		435,262	150,577	435,277
Investments	4	18,982	13	18,982
Threschienes	4	10,302	-	10,902
Total Income		2,186,520	852,359	3,038,879
Expenditure on:				
Fundraising		739,826	146	739,972
Charitable Activities		1,345,254	1,242,162	2,587,416
Total Expenditure	5	2,085,080	1,242,308	3,327,388
Net Income / (Expenditure)		101,440	(389,949)	(288,509)
Reconciliation of Funds				
Total funds brought forward	20	1,419,949	778,466	2,198,415
·			•	
Total funds carried forward		1,521,389	388,517	1,909,906

#### 03 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Individual Donations:				
General	429,786	12,921	442,707	773,892
Legacies	179,874	2,500	182,374	22,744
Corporate Donations	1,063,205	34,669	1,097,874	822,201
Donated services	152,046	-	152,046	107,772
	1,824,911	50,090	1,875,001	1,726,609

#### 04 INCOME FROM INVESTMENTS

This represents interest received from the Charity's accounts with Royal Bank of Scotland, Lloyds TSB, Barclays and Yorkshire Bank.

#### 05 ANALYSIS OF EXPENDITURE

	Charitable activities	Cost of raising funds	Governance costs	Support costs	2017 Total	2016 Total
	£	£	£	£	£	£
Grants payable (see note 6	) 1,193,534	-	-	-	1,193,534	1,105,605
UK Staff	265,159	205,381	_	471,040	941,580	815,651
Overseas Staff	465,805	_	_	_	465,805	355,853
Office & Supplies	115,363	19,847	_	42,529	177,739	111,658
Services	85,640	315,777	19,303	85,280	506,000	467,311
Travel & Accommodation	151,518	12,611	1,372	5,366	170,867	243,424
Other	170,856	_	_	_	170,856	111,323
Depreciation	7,263	_	_	8,427	15,690	8,791
Gifts in Kind	61,262	90,784	-	-	152,046	107,772
Sub total	2,516,400	644,400	20,675	612,642	3,794,117	3,327,388
Support costs	321,016	250,521	41,105	(612,642)	-	-
Governance costs	55,600	6,180	(61,780)			
Total expenditure 2017	2,893,016	901,101	-	_	3,794,117	3,327,388
Total expenditure 2016	2,587,416	739,972			3,327,388	

#### O6 ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITY

India North 30,884 16,320 11,052 878 59,134 74,948 East 51,865 47,109 87,189 (1) 186,162 188,823 South 71,401 62,124 28,159 - 161,684 90,661 West and Central 7,989 47,928 4,793 (1) 60,709 94,801  East Africa Kenya 94,222 106,755 89,387 16,797 307,161 222,153 Tanzania 11,082 39,224 67,367 - 117,673 119,712  Grants sub total 267,443 339,304 569,114 17,673 1,193,534 1,105,605  UK Staff 16,876 34,131 177,235 36,917 265,159 221,616 Overseas Staff 137,291 166,093 152,327 10,094 465,805 351,165 Office & Supplies 18,256 22,523 21,194 53,390 115,363 99,466 Services 15,433 20,237 36,325 13,645 85,640 191,595 Travel & Accommodation 38,407 49,376 55,546 8,189 151,518 203,975 Other 43,667 57,124 65,061 5,004 170,856 19,530 Depreciation 1,840 2,507 2,644 272 7,263 761 Gifts in Kind 13,727 17,416 29,212 907 61,262 53,117  285,497 369,407 539,544 128,418 1,322,866 1,141,225 Sub total 552,940 708,711 1,108,658 146,091 2,516,400 2,246,830  Support costs 70,538 90,410 141,431 18,637 321,016 295,537  Governance costs 12,217 15,659 24,496 3,228 55,600 45,049  Total 635,695 814,780 1,274,585 167,956 2,893,016 2,587,416		Outreach 2017 £	2017 £	Reintegration 2017	Influencing 2017 £	Total 2017 £	Total 2016 £
North	UK	-	19,844	281,167	-	301,011	314,507
North	India						
East 51,865 47,109 87,189 (1) 186,162 188,823 South 71,401 62,124 28,159 - 161,684 90,661 West and Central 7,989 47,928 4,793 (1) 60,709 94,801 East Africa Kenya 94,222 106,755 89,387 16,797 307,161 222,153 Tanzania 11,082 39,224 67,367 - 117,673 119,712 Grants sub total 267,443 339,304 569,114 17,673 1,193,534 1,105,605 UK Staff 16,876 34,131 177,235 36,917 265,159 221,616 Overseas Staff 137,291 166,093 152,327 10,094 465,805 351,165 Office & Supplies 18,256 22,523 21,194 53,339 115,363 99,466 Services 15,433 20,237 36,325 13,645 85,640 191,595 Travel & Accommodation 38,407 49,376 55,546 8,189 151,518 203,975 Other 43,667 57,124 65,061 5,004 170,856 19,530 Depreciation 1,840 2,507 2,644 272 7,263 761 Gifts in Kind 13,727 17,416 29,212 907 61,262 53,117 285,497 369,407 539,544 128,418 1,322,866 1,141,225 Sub total 552,940 708,711 1,108,658 146,091 2,516,400 2,246,830 Support costs 70,538 90,410 141,431 18,637 321,016 295,537 Governance costs 12,217 15,659 24,496 3,228 55,600 45,049		30 884	16 320	11 052	878	59 134	74 948
South West and Central 7,401 62,124 20,159 — 161,684 90,661 7,989 47,928 4,793 (1) 60,709 94,801  East Africa Kenya 94,222 106,755 89,387 16,797 307,161 222,153 11,082 39,224 67,367 — 117,673 119,712  Grants sub total 267,443 339,304 569,114 17,673 1,193,534 1,105,605  UK Staff 16,876 34,131 177,235 36,917 265,159 221,616 Overseas Staff 137,291 166,093 152,327 10,094 465,805 351,165 Office & Supplies 18,256 22,523 21,194 53,390 115,363 99,466 Services 15,433 20,237 36,325 13,645 85,640 191,595 Travel & Accommodation 38,407 49,376 55,546 8,189 151,518 203,975 Other 43,667 57,124 65,061 5,004 170,856 19,530 Depreciation 1,840 2,507 2,644 272 7,263 761 Gifts in Kind 13,727 17,416 29,212 907 61,262 53,117  285,497 369,407 539,544 128,418 1,322,866 1,141,225 Sub total 552,940 708,711 1,108,658 146,091 2,516,400 2,246,830 Support costs 70,538 90,410 141,431 18,637 321,016 295,537 Governance costs 12,217 15,659 24,496 3,228 55,600 45,049		•	•	•		•	•
West and Central         7,989         47,928         4,793         (1)         60,709         94,801           East Africa         Kenya         94,222         106,755         89,387         16,797         307,161         222,153           Tanzania         11,082         39,224         67,367         -         117,673         119,712           Grants sub total         267,443         339,304         569,114         17,673         1,193,534         1,105,605           UK Staff         16,876         34,131         177,235         36,917         265,159         221,616           Overseas Staff         137,291         166,093         152,327         10,094         465,805         351,165           Office & Supplies         18,256         22,523         21,194         53,390         115,363         99,466           Services         15,433         20,237         36,325         13,645         85,640         191,595           Travel & Accommodation         38,407         49,376         55,468         8,189         151,518         203,975           Other         43,667         57,124         65,061         5,004         170,856         19,530           Depreciation         1,840         <		•	•	•	` '	•	•
Kenya         94,222         106,755         89,387         16,797         307,161         222,153           Tanzania         11,082         39,224         67,367         -         117,673         119,712           Grants sub total         267,443         339,304         569,114         17,673         1,193,534         1,105,605           UK Staff         16,876         34,131         177,235         36,917         265,159         221,616           Overseas Staff         137,291         166,093         152,327         10,094         465,805         351,165           Office & Supplies         18,256         22,523         21,194         53,390         115,363         99,466           Services         15,433         20,237         36,325         13,645         85,640         191,595           Travel & Accommodation         38,407         49,376         55,546         8,189         151,518         203,975           Other         43,667         57,124         65,061         5,004         170,856         19,530           Depreciation         1,840         2,507         2,644         272         7,263         761           Gifts in Kind         13,727         17,416         29,212 <td></td> <td>•</td> <td>•</td> <td></td> <td></td> <td>•</td> <td>•</td>		•	•			•	•
Kenya         94,222         106,755         89,387         16,797         307,161         222,153           Tanzania         11,082         39,224         67,367         -         117,673         119,712           Grants sub total         267,443         339,304         569,114         17,673         1,193,534         1,105,605           UK Staff         16,876         34,131         177,235         36,917         265,159         221,616           Overseas Staff         137,291         166,093         152,327         10,094         465,805         351,165           Office & Supplies         18,256         22,523         21,194         53,390         115,363         99,466           Services         15,433         20,237         36,325         13,645         85,640         191,595           Travel & Accommodation         38,407         49,376         55,546         8,189         151,518         203,975           Other         43,667         57,124         65,061         5,004         170,856         19,530           Depreciation         1,840         2,507         2,644         272         7,263         761           Gifts in Kind         13,727         17,416         29,212 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Tanzania 11,082 39,224 67,367 - 117,673 119,712  Grants sub total 267,443 339,304 569,114 17,673 1,193,534 1,105,605  UK Staff 16,876 34,131 177,235 36,917 265,159 221,616  Overseas Staff 137,291 166,093 152,327 10,094 465,805 351,165  Office & Supplies 18,256 22,523 21,194 53,390 115,363 99,466  Services 15,433 20,237 36,325 13,645 85,640 191,595  Travel & Accommodation 38,407 49,376 55,546 8,189 151,518 203,975  Other 43,667 57,124 65,061 5,004 170,856 19,530  Depreciation 1,840 2,507 2,644 272 7,263 761  Gifts in Kind 13,727 17,416 29,212 907 61,262 53,117  285,497 369,407 539,544 128,418 1,322,866 1,141,225  Sub total 552,940 708,711 1,108,658 146,091 2,516,400 2,246,830  Support costs 70,538 90,410 141,431 18,637 321,016 295,537  Governance costs 12,217 15,659 24,496 3,228 55,600 45,049		0.4.000	106 555	00 00	16 505	205 161	000 150
Grants sub total         267,443         339,304         569,114         17,673         1,193,534         1,105,605           UK Staff         16,876         34,131         177,235         36,917         265,159         221,616           Overseas Staff         137,291         166,093         152,327         10,094         465,805         351,165           Office & Supplies         18,256         22,523         21,194         53,390         115,363         99,466           Services         15,433         20,237         36,325         13,645         85,640         191,595           Travel & Accommodation         38,407         49,376         55,546         8,189         151,518         203,975           Other         43,667         57,124         65,061         5,004         170,856         19,530           Depreciation         1,840         2,507         2,644         272         7,263         761           Gifts in Kind         13,727         17,416         29,212         907         61,262         53,117           285,497         369,407         539,544         128,418         1,322,866         1,141,225           Sub total         552,940         708,711         1,108,658	<del>-</del>	•			16,797		
UK Staff 16,876 34,131 177,235 36,917 265,159 221,616 Overseas Staff 137,291 166,093 152,327 10,094 465,805 351,165 Office & Supplies 18,256 22,523 21,194 53,390 115,363 99,466 Services 15,433 20,237 36,325 13,645 85,640 191,595 Travel & Accommodation 38,407 49,376 55,546 8,189 151,518 203,975 Other 43,667 57,124 65,061 5,004 170,856 19,530 Depreciation 1,840 2,507 2,644 272 7,263 761 Gifts in Kind 13,727 17,416 29,212 907 61,262 53,117    Sub total 552,940 708,711 1,108,658 146,091 2,516,400 2,246,830 Support costs 70,538 90,410 141,431 18,637 321,016 295,537 Governance costs 12,217 15,659 24,496 3,228 55,600 45,049	Tanzania	11,082	39,224	67,367	-	117,673	119,712
Overseas Staff 137,291 166,093 152,327 10,094 465,805 351,165 Office & Supplies 18,256 22,523 21,194 53,390 115,363 99,466 Services 15,433 20,237 36,325 13,645 85,640 191,595 Travel & Accommodation 38,407 49,376 55,546 8,189 151,518 203,975 Other 43,667 57,124 65,061 5,004 170,856 19,530 Depreciation 1,840 2,507 2,644 272 7,263 761 Gifts in Kind 13,727 17,416 29,212 907 61,262 53,117 285,497 369,407 539,544 128,418 1,322,866 1,141,225 Sub total 552,940 708,711 1,108,658 146,091 2,516,400 2,246,830 Support costs 70,538 90,410 141,431 18,637 321,016 295,537 Governance costs 12,217 15,659 24,496 3,228 55,600 45,049	Grants sub total	267,443	339,304	569,114	17,673	1,193,534	1,105,605
Overseas Staff 137,291 166,093 152,327 10,094 465,805 351,165 Office & Supplies 18,256 22,523 21,194 53,390 115,363 99,466 Services 15,433 20,237 36,325 13,645 85,640 191,595 Travel & Accommodation 38,407 49,376 55,546 8,189 151,518 203,975 Other 43,667 57,124 65,061 5,004 170,856 19,530 Depreciation 1,840 2,507 2,644 272 7,263 761 Gifts in Kind 13,727 17,416 29,212 907 61,262 53,117 285,497 369,407 539,544 128,418 1,322,866 1,141,225 Sub total 552,940 708,711 1,108,658 146,091 2,516,400 2,246,830 Support costs 70,538 90,410 141,431 18,637 321,016 295,537 Governance costs 12,217 15,659 24,496 3,228 55,600 45,049	UK Staff	16,876	34,131	177,235	36,917	265,159	221,616
Office & Supplies 18,256 22,523 21,194 53,390 115,363 99,466 Services 15,433 20,237 36,325 13,645 85,640 191,595 Travel & Accommodation 38,407 49,376 55,546 8,189 151,518 203,975 Other 43,667 57,124 65,061 5,004 170,856 19,530 Depreciation 1,840 2,507 2,644 272 7,263 761 Gifts in Kind 13,727 17,416 29,212 907 61,262 53,117 285,497 369,407 539,544 128,418 1,322,866 1,141,225 Sub total 552,940 708,711 1,108,658 146,091 2,516,400 2,246,830 Support costs 70,538 90,410 141,431 18,637 321,016 295,537 Governance costs 12,217 15,659 24,496 3,228 55,600 45,049	Overseas Staff		•	•	•	-	•
Services       15,433       20,237       36,325       13,645       85,640       191,595         Travel & Accommodation       38,407       49,376       55,546       8,189       151,518       203,975         Other       43,667       57,124       65,061       5,004       170,856       19,530         Depreciation       1,840       2,507       2,644       272       7,263       761         Gifts in Kind       13,727       17,416       29,212       907       61,262       53,117         285,497       369,407       539,544       128,418       1,322,866       1,141,225         Sub total       552,940       708,711       1,108,658       146,091       2,516,400       2,246,830         Support costs       70,538       90,410       141,431       18,637       321,016       295,537         Governance costs       12,217       15,659       24,496       3,228       55,600       45,049	Office & Supplies	•	•	· ·	•	•	•
Other       43,667       57,124       65,061       5,004       170,856       19,530         Depreciation       1,840       2,507       2,644       272       7,263       761         Gifts in Kind       13,727       17,416       29,212       907       61,262       53,117         285,497       369,407       539,544       128,418       1,322,866       1,141,225         Sub total       552,940       708,711       1,108,658       146,091       2,516,400       2,246,830         Support costs       70,538       90,410       141,431       18,637       321,016       295,537         Governance costs       12,217       15,659       24,496       3,228       55,600       45,049	<del></del>	15,433	20,237	36,325	13,645	85,640	· · · · · · · · · · · · · · · · · · ·
Other       43,667       57,124       65,061       5,004       170,856       19,530         Depreciation       1,840       2,507       2,644       272       7,263       761         Gifts in Kind       13,727       17,416       29,212       907       61,262       53,117         285,497       369,407       539,544       128,418       1,322,866       1,141,225         Sub total       552,940       708,711       1,108,658       146,091       2,516,400       2,246,830         Support costs       70,538       90,410       141,431       18,637       321,016       295,537         Governance costs       12,217       15,659       24,496       3,228       55,600       45,049	Travel & Accommodation	38,407	49,376	55,546	8,189	151,518	203,975
Gifts in Kind  13,727 17,416 29,212 907 61,262 53,117  285,497 369,407 539,544 128,418 1,322,866 1,141,225  Sub total  552,940 708,711 1,108,658 146,091 2,516,400 2,246,830  Support costs 70,538 90,410 141,431 18,637 321,016 295,537  Governance costs 12,217 15,659 24,496 3,228 55,600 45,049	Other	43,667	57,124	65,061	5,004	170,856	19,530
285,497     369,407     539,544     128,418     1,322,866     1,141,225       Sub total     552,940     708,711     1,108,658     146,091     2,516,400     2,246,830       Support costs     70,538     90,410     141,431     18,637     321,016     295,537       Governance costs     12,217     15,659     24,496     3,228     55,600     45,049	Depreciation	1,840	2,507	2,644	272	7,263	761
Sub total       552,940       708,711       1,108,658       146,091       2,516,400       2,246,830         Support costs       70,538       90,410       141,431       18,637       321,016       295,537         Governance costs       12,217       15,659       24,496       3,228       55,600       45,049	Gifts in Kind	13,727	17,416	29,212	907	61,262	53,117
Support costs 70,538 90,410 141,431 18,637 321,016 295,537 Governance costs 12,217 15,659 24,496 3,228 55,600 45,049		285,497	369,407	539,544	128,418	1,322,866	1,141,225
Governance costs 12,217 15,659 24,496 3,228 55,600 45,049	Sub total	552,940	708,711	1,108,658	146,091	2,516,400	2,246,830
	Support costs	70,538	90,410	141,431	18,637	321,016	295,537
Total 635,695 814,780 1,274,585 167,956 2,893,016 2,587,416	Governance costs	12,217	15,659	24,496	3,228	55,600	45,049
	Total	635,695	814,780	1,274,585	167,956	2,893,016	2,587,416

Outreach work includes streetwork, local helplines, association models and child friendly stations. Shelter includes drop in centres, night shelters, government home work and refuge. Reintegration work includes return home interviews, intensive family work, working with government homes and bio diverse farming.

#### 07 STAFF COSTS

	2017	2016
	£	£
UK Based Staff		
Wages and salaries	816,510	711,416
National Insurance	87,413	71,815
Pension costs	37,657	32,420
UK Based Sub Total	941,580	815,651
Overseas staff	465,805	351,165
	1,407,385	1,166,816

#### 08 STAFF NUMBERS

The average number of employees was:

	2017	2016
Project development	9	9
Fundraising	12	11
Support and administration	1	1
UK staff subtotal	22	21
East Africa programme staff	22	26
India programme staff	19	12
Total staff	63	59

#### Information regarding employees and trustees

\*During the year the charity had one volunteer providing office assistance, nine providing fundraising help and 31 assisting with UK station work.

\*One employee had emoluments in the range of £80,000 - £89,999 (2016 - one), one in the range £70,000 - £79,999 '(2016 - none) and one in the range £60,000 - £69,999 (2016 - one).

\*The cost of employing key management personnel including employer's NI and pension contributions were £470,195 (2016: £425,068)

#### 09 NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2017	2016
	£	£
Operating lease rentals		
- Property	15,200	15,200
- Other	500	500
Depreciation	15,691	8,791
Auditors remuneration		
- Audit (excl irrecoverable VAT)	8,600	8,500
- Audit accrual adjustment (incl VAT)	1,584	3,000
- Audit disbursement	60	60
Trustees remuneration	-	-
Trustee expenses	2,915	2,086
Of which Trustees reimbursed expenses	937	1,200

Trustee expenses represents the reimbursed travel and expenses of four Trustees (2016: 5).

#### 10 OPERATING LEASE COMMITMENTS

The charity had annual commitments at the year end under operating leases expiring as follows:

	2017 £	2016 £
Less than one year 2-5 years	15,700 26,257	15,700 36,884
	41,957	52,584

#### 11 TANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Charity Equipment & Furniture £	Group Vehicles £	Group Equipment £	Group Total £
	-	-	-	-
Cost				
At beginning of year	74,057	9,191	5,753	89,001
Additions in year	-	11,850	8,315	20,165
Disposals	9,116	-	-	9,116
At close of year	64,941	21,041	14,068	100,050
Depreciation				
At beginning of year	49,623	761	5,753	56,137
Charge for year	8,428	6,859	404	15,691
Disposals	9,116	-	-	9,116
At close of year	48,935	7,620	6,157	62,712
Net Book Value				
Group and charity at close of year	16,006	13,421	7,911	37,338
Group and charity at beginning of year	24,434	8,430		32,864
		- 7 - 5 0		/00-

#### 12 RAILWAY CHILDREN TRADING LIMITED

2017	2016
£	£
373,548	41,699
(118,008)	(16,907)
(1,000)	(1,000)
(5,000)	(5,000)
249,540	18,792
(288)	<del>-</del>
(249,252)	(18,792)
100	100
	£ 373,548 (118,008) (1,000) (5,000)  249,540 (288) (249,252)

Railway Children Trading Company Limited is a 100% subsidiary of Railway Children. During the year £347,350 from a "Steam Special" and £26,198 of Xmas card income raised net profits of £249,252. All the Railway Children Trading Company Limited's profits for the year are donated to Railway Children. Payments to Railway Children are regarded as a reduction of the charity's expenditure and cancel out on the consolidated accounts.

#### 13 TAXATION

Railway Children Limited is a registered charity and is thus exempt from taxation of its income and gains falling within Section 505 of the Income and Corporation Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.

#### 14 RAILWAY CHILDREN AFRICA

	2017	2016
	£	£
Turnover	70,574	-
Income from Railway Children	518,070	468,132
Expenditure	(587,770)	(449,346)
Net assets carried forward at May 31st	874	18,786

Railway Children Africa Limited is a 100% subsidiary of Railway Children and income is derived from the restricted income from the parent charity with some locally raised restricted income. Railway Children Africa Limited carries out Railway Children's programme of work in Tanzania.

#### 15 RAILWAY CHILDREN INDIA

	2017	2016
	£	£
Turnover	247,836	83,625
Expenditure	(235,255)	(54,720)
Net assets carried forward at May 31st	12,581	28,905

Railway Children India Limited is a section 25 company registered in India. The company operates under the Railway Children trademark.

#### 16 INDIA LIAISON OFFICE

This legal entity employs the majority of Railway Children staff in India and is treated as a subisidiary in these accounts. Income for India LO was solely from the charity and amounted to £226,600 (2016: £278,677) and expenditure £229,644 (2016: £292,095).

#### 17 RAILWAY CHILDREN PARENT CHARITY

The parent charity gross income for the year excluding RCTL income is £2,990,934 (2016: £2,919,555) and the net surplus for the year is £372,930 (2016 net deficit: £332,001).

#### 18 DEBTORS AND PREPAYMENTS

	Consolidated			Charity	
	2017	2016	2017	2016	
	£	£	£	£	
Debtors	83,850	_	-	_	
Gift aid debtor	22,564	17,298	21,697	15,873	
Other debtors	22,131	30,530	6,726	27,918	
Prepayments	21,622	23,964	21,622	23,964	
Railway Children Africa - owed to charity	0	_	31,242	(14,639)	
Railway Children Trading Limited - owed to c	harity (13)	_	249,607	24,789	
India Liaison Office	-	-	-	6,797	
Total	150,154	71,792	330,894	84,702	

#### 19 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated			Charity		
	2017	2016	2017	2016		
	£	£	£	£		
Creditors	44,254	50,659	20,513	32,611		
Tax and national insurance	20,458	18,111	20,458	18,111		
Accrued Expenditure	165,213	90,845	126,243	86,747		
Total	229,925	159,615	167,214	137,469		

#### 20a ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Designate Funds Fund		General Funds	Total Funds 2017
	£	£	£	£
Tangible fixed assets Net current assets	106,074	597,761	37,338 1,057,506	37,338 1,761,341
Net assets at the end of the year	106,517	597,761	1,094,844	1,798,679

#### 20b COMPARATIVE OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Designated General Funds Funds Funds		Total Funds 2017		
	£	£	£	£	
Tangible fixed assets Net current assets	- 388,517	- 744,721	32,864 743,804	32,864 1,877,042	
Net assets at the end of the year	388,517	744,721	776,668	1,909,906	

#### 21 RELATED PARTIES

During the year there were related party transactions with Railway Children India, Railway Children Africa Limited and Railway Children Ball Limited. Income from Railway Children Ball Limited was £522,327 (2016: £443,153).

Railway Children is registered as a liaison office in India and manages the delivery of the India programme with funding provided entirely via Railway Children. Railway Children India is registered as a section 25 company in India and is funded entirely from local grants.

The Railway Children Ball Limited has two Trustee in common with Railway Children and runs an annual fundraising ball.

Railway Children Africa Limited is registered as a company in Tanzania and manages the delivery of the Tanzania programme with most funding provided via Railway Children. Railway Children representatives make up a majority of the board positions.

#### 22 FUNDS HELD ON BEHALF OF OTHERS

The charity is part of an unincorporated association known as the Partnership for Vulnerable Children, formed with with three other charities: Childhope, Get Connected and ICT. The association operates a payroll giving scheme on behalf of its members. Railway Children peforms the financial administration for the association.

The sole assets of the association are funds collected not yet dispersed which are held in a separate bank account. The balance on the account at May 31st 2017 was £10,660 (2016: £8,377). This bank account does not form part of these consolidated accounts.

#### 23a MOVEMENT IN FUNDS

		Balance at	Movement in	Resources !	Transfors	Balance
		Start of	Movement in	Resources .	ITalisters	at Close
		Period	Incoming	Outgoing		of Period
Restricted Fu	inds	£	£	£	£	£
Region	Funder					
East Africa	Other funders	5,881	36,437	20,518	-	21,800
India	APPI South India	27,828	223,376	227,719	_	23,485
	BLF	27,295	112,496	105,443	_	34,348
	Comic Relief	77	54,467	26,921	-	27,623
	Honda	-	24,460	16,831	-	7,629
	Other funders	66,898	46,954	58,220	-	55,632
UK	Aviva	230,316	75	230,391		
OK	Other UK	37,371	24,245	24,113	_	37 <b>,</b> 503
	other or	37,371	21,213	24,113		37,303
	Total Restricted Funds	395,666	522,510	710,156	-	208,020
	Restricted Funds in Deficit					
	BLF - Kitale	(6,046)	134,607	137,963		(9,402)
	Comic Relief - Nairobi	8,898	90,332	105,682	_	(6,452)
	DfID - Mwanza	(10,001)	10,000	103,002	_	(1)
	UK Aid Match - East Africa	` ' '	209,278	272,798	_	(63,520)
	PACT - East Africa	-	56,682	79,253	-	(22,571)
		(7,149)	500,899	595,696	-	(101,946)
	Overall Restricted Funds	388,517	1,023,409	1,305,852	-	106,074
Unrestricted	Funds					
omico cirio coa	1 unus					
	Designated Funds					
	India	368,075	(84,170)	139,992		143,913
	UK	215,595	270,219	126,223		359,591
	East Africa	161,051	92,972	159,766		94,257
	Total Designated Funds	744,721	279,021	425,981	-	597,761
	General Funds	776,668	2,380,460	2,062,284	-	1,094,844
	Total Unrestricted Funds	1,521,389	2,659,481	2,488,265	_	1,692,605
Total Funds		1,909,906	3,682,890	3,794,117	-	1,798,679

#### PURPOSES OF RESTRICTED FUNDS

All restricted funds are held for the relief of children and young persons in conditions of hardship and distress who live on or are at risk of running to the streets.

APPI funds are for work to assist street children on railway stations in India

Aviva: These funds relate to the assistance of street children in projects in the IIV

Big Lottery Fund, Kenya: Restricted for the assistance of street children and youth in Kitale, Kenya. The fund is in deficit as grants are recognised on a receipts basis and funds have been advanced to our partner ahead of receiving grant funds. Funds have been received subsequent to the year end and the fund is now in surplus.

Big Lottery Fund, West Bengal: Restricted for the assistance of street children and youth in West Bengal

Comic Relief 5: Restricted for the assistance of street children in West Bengal Comic Relief 6: Restricted for the assistance of street children and youth in Nairobi and Kisumu

Comic Relief 7: Restricted for the assistance of street children in Murshidabad, West Bengal

DfID: These funds relate to the assistance of street children in Mwanza in Tanzania. In deficit pending payment of final retention payment.

#### PURPOSES OF DESIGNATED FUNDS

These are to cover commitments made to partners made for the year ended May 31st 2018, details are contained in the annual report.

#### 23b COMPARATIVE MOVEMENT IN FUNDS

		Balance at Start of 2016	Movement in			Balance at Close of 2016
Restricted F	unds	£	f f	Outgoing £	£	61 2016 £
Region	Funder					
East Africa	Comic Relief 6 - Kenya	(9,247)	131,497	113,352	-	8,898
	Other funders	46,247	44,571	84,937	-	5,881
India	APPI South India	_	83,574	55,746	_	27,828
	BLF West Bengal	-	110,084	82,789	_	27,295
	Comic Relief 3	<del>-</del>	12,871	12,871	_	· <u>-</u>
	Comic Relief 5	37,007	56,689	94,427	_	(731)
	Comic Relief 7	(460)	30,969	29,701	-	808
	Other funders	141,197	48,393	122,692	-	66,898
UK	Aviva	554,779	4,845	329,308	_	230,316
	Other UK	27,236	29,505	19,370	-	37,371
	Total Restricted Funds	796,759	552,998	945,193	-	404,564
	Restricted Funds in Defici	+				
	BLF - Kenya	(18,554)	127,463	114,955	_	(6,046)
	DfiD	261	171,898	182,160	_	(10,001)
	טווט		171,000	102,100		(10,001)
		(18,293)	299,361	297,115	-	(16,047)
	Overall Restricted Funds	778,466	852,359	1,242,308	-	388,517
Unrestricted	Funds					
	Designated Funds					
	India	417,707	191,401	241,033		368,075
	UK	144,849	161,274	90,528		215,595
	East Africa	200,000	88,650	127,599		161,051
	Total Designated Funds	762,556	441,325	459,160	_	744,721
	General Funds	657,393	1,745,195	•	_	776,668
	Total Unrestricted Funds	1,419,949	2,186,520	2,085,080	=	1,521,389
			2 020 072	2 205 222		
Total Funds		2,198,415	3,038,879	3,327,388	-	1,909,906

<u>.</u>

#### Railway Children

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