

Company No: 6031876
Charity No: 1119544

THE GLOBAL FUND FOR CHILDREN UK TRUST

REPORT AND FINANCIAL STATEMENTS

30 JUNE 2018

The Global Fund for Children UK Trust**Report and Financial Statements
For the year ended 30 June 2018****Contents**

	Page
Reference and Administrative Details	3
Report of the Trustees	4 - 10
Independent Auditor's Report	11 - 13
Statement of Financial Activities	14 -15
Balance Sheet	16
Notes	17 - 24

The Global Fund for Children UK Trust
Reference and administrative details
For the year ended 30 June 2018

Company number	06031876
Charity number	1119544
Registered office	c/o Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
Operational address	c/o WeWork 1 Fore Street Moorgate London EC2Y 9DT
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Michael Daffey - Chairman Michel Antakly James Esposito - Treasurer John Hepburn (resigned 1 st December, 2017) Francesca Lagerberg James Sheridan (resigned 29 th January, 2018) Vagn Sørensen (resigned 8 th January, 2018) John Hecklinger (appointed 1 st September 2018)
Bankers	CAF Bank Limited 25 Kings Hill West Malling Kent ME19 4JQ
Solicitors	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
Auditors	Moore Stephens 150 Aldersgate Street London EC1A 4AB

**The Global Fund for Children UK Trust
Report of the trustees
For the year ended 30 June 2018**

The trustees are pleased to present their report together with the consolidated financial statements for the year ending 30th June, 2018.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 1st January, 2015).

Structure, Governance and Management

The organisation is a charitable company limited by guarantee, incorporated on 18th December, 2006 and registered as a charity on 7th June, 2007.

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.

Established in the USA in 1994, The Global Fund for Children (GFC) has become one of the largest global grassroots grant makers having distributed over £30 million to 646 innovative grassroots organisations working in 75 countries around the world, touching the lives of over 10 million children.

The Global Fund for Children UK Trust was registered as an independent charity on 7th June, 2007 to extend the vision and mission of GFC in the UK and mainland Europe.

The UK Trust is governed by a memorandum and articles of association with GFC as the sole member. The CEO of GFC is a member of the board of trustees and attends the UK Trust board of trustees meetings. Meetings of the board of trustees are held three times a year.

The UK Trust purchased the right to use the GFC brand for one pound sterling and is required to adhere to the terms of the License Agreement between the two entities.

Appointment of Trustees: The ultimate vision for the UK Trust Board is to assemble a group of individuals who combine entrepreneurial energy with more established institutional perspectives. The mix is crucial to maintaining the organisations' innovative spirit while developing a sustainable institution. The Board will also become more representative of the national and international communities and individuals the organisation seeks to serve. Board members are desired who represent a balance of ethnic, cultural, national, socioeconomic, gender, age and geographic diversity.

New trustees are nominated by existing board members and/or the managing director. Nominees' biographies /CV's are circulated to all existing members and candidates are then interviewed by two trustees and the chairman. A written resolution is then put before members of the US Board of Directors where a vote is taken. All new trustees receive copies of all key documents relating to the charity's work, and to their duties as a trustee. Trustees are also encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The board of trustees administers the charity. A managing director, appointed by the trustees manages the day-to-day operations of the UK Trust and reports into the CEO of the Global Fund for Children in Washington DC. However, the board continue to review the risks of the charity on a periodic basis.

The Trustees are also directors for Companies Act purposes.

Public benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities.

**The Global Fund for Children UK Trust
Report of the trustees
For the year ended 30 June 2018**

Our Objectives and Activities

Global Fund for Children (GFC) works worldwide to improve the lives of millions of children and young people facing poverty, injustice and discrimination.

GFC's innovative programming model finds extraordinary, inspirational leaders who will risk everything to care for vulnerable children, and funds and strengthens the innovative, community-based organisations they lead. GFC provides expert technical assistance and access to networks, supporting these organisations to deepen their impact and contribute to far-reaching social change.

For GFC's partners, small amounts of money go far and work hard. £100,000 could provide 15 courageous organisations with their first GFC annual grant, enabling each to help an additional 300 vulnerable children. GFC's support empowers these children to shape their own futures and lead fulfilled lives with dignity and independence. Many of these young people go on to become leaders in their own communities, paying forward their own good fortune by transforming the lives of future generations.

Our Programme Focus:

GFC's work advances the rights of children and youth across four key focus areas:

- **Education** – working to secure equal access of high quality education for all children, irrespective of any obstacles that may stand in their way
- **Gender equity** – defending children's rights to enjoy equal opportunities and resources within the societies in which they live, without fear of discrimination on the basis of their gender identity
- **Youth empowerment** – preparing young people to shape their own futures, advance their rights and lead healthy, productive lives
- **Freedom from violence and exploitation** – eliminating the violence and exploitation that can keep children from reaching their full potential, and working to heal those affected

GFC is working to advance child rights through supporting organisations tackling the poverty, injustice and discrimination that limit children's and young people's opportunities to develop. GFC is also committed to a more youth-centred approach to working that creates space for young people to raise their voices, articulate their needs and shape their own futures.

Impact and Sustainability

In the last 25 years GFC has transformed the lives of more than 10 million children worldwide by supporting meaningful change where it stands to do most good – in the heart of communities. In the same period, GFC has identified almost 650 grassroots organisations in more than 75 countries and supported them with grants and technical assistance totalling over \$40 million.

On average, partners' budgets triple during their GFC partnership, enabling them to expand the size and impact of their programmes and reach out to serve greater numbers of children in more and better ways. GFC partners have reached hundreds of national and international awards in recognition of their work, including 10 World's Children's Prizes, 37 Ashoka Fellowships, seven CNN Heroes Awards and 10 With and For Girls Awards.

Achievements and Performance

The UK Trust has had a successful year and has been a key partner in GFC's growth - continuing to raise the visibility and credibility of GFC and its grantee partners and increasing its donor base in the UK, Europe, India and Hong Kong whilst keeping expenses low.

During the year the Board of Directors of GFC selected John Hecklinger to serve as President and Chief Executive Officer, effective 6th November, 2017. John comes to GFC after serving 12 years at Global Giving, developing what is now the world's largest global crowdfunding community.

**The Global Fund for Children UK Trust
Report of the trustees
For the year ended 30 June 2018**

A new Managing Director for the UK Trust was also appointed. Nicky Wynne joined GFC UK Trust in August 2017 and brings over 28 years of international non-profit experience with her. Nicky has raised over £50 million for charities, mainly through major donor giving, trust income and corporate support. Her work was recognised by Queen Elizabeth II in 2011, when she was awarded the St. John Cross for innovative fundraising work.

Hayley Roffey was appointed as GFC's Director of Global Capacity Building in October 2017. Hayley comes to GFC from grassroots partner Asphaleia Action and was one of our guest speakers at our 2017 Gala Dinner. Hayley has an entrepreneurial spirit and is a big believer in harnessing the talent of others. She also has expertise in safeguarding children and offering child-centered solutions.

Two new part-time employees were hired with effect from 1st February, 2018 – Tony Kerridge, our Trusts and Foundations Manager and Dominic Hassan, Development Associate. Tony is working closely with US Director of Development, Doreen Chi to drive and develop our trust and statutory giving forward this year. Tony is also exploring the feasibility of GFC mobilising resources in the Netherlands as we received official status (ANBI) to fundraise there in May 2018.

We also said goodbye to three longstanding Trustees – James Sheridan, John Hepburn and Vagn Sørensen who will be sadly missed but who have all expressed the wish to support GFC.

Our work in Hong Kong and India present significant opportunities for GFC in the forthcoming years. Nicky Wynne has taken leadership of overseeing our effort in these regions. In Hong Kong we have secured a part-time Development Consultant, Sam Furness. Sam's role is to provide client care to existing donors, secure new funding and support the Hong Kong Leadership Council. Members of the Council are eager to see GFC truly commit to building a vibrant local community of supporters. In India, the entity, Foundation for Rebuilding Childhood is expecting to have tax exempt status by mid-summer. We have 2 proposed new Board members and there are plans to have an awareness and fundraising event in New Delhi in December of this year.

Pro Bono Partnerships and Volunteers

By constantly networking and through the use of their office environment in WeWork that houses over 400 small to medium enterprises, the UK Trust has managed to secure some very important partnerships:-

- Bonafide hr Limited a boutique human resources outsourcing solutions company supporting the creative industry,
- Montieth & Company, a specialist communications consultancy that delivers high-value outcomes for its clients. They provide strategy, media and content services and solutions to organisations across industry sectors and global media markets
- Chapel & York Limited, a leading worldwide provider of international charity formations and management services.

Through recommendations from the above organisations, further partnerships have formed such as The Vino Beano, Idaho Jones London, The Space Group, Admirable Crichton, Easy Web, RChocolate, VennComm, Botanical Boys, Tania Schnappe Wellness and DAOE. We will be working hard during the forthcoming year to grow and develop these relationships with the goal to broaden our fundraising opportunities, increase awareness of our work and ultimately raise funds.

We also had the opportunity to work with two University Graduates who helped us with social media and at our Saatchi event – huge thanks to Amandine Cremel and Sasha Sternik.

Saatchi event

A game-changing, unique music and arts event was held at the Saatchi Gallery in London on the evening of 24th April. The audience of movers and shakers included an Olympic champion, a fashion designer, Lords, Embassy Attaché's, personal trainer to celebrities, glossy magazine editor in chief and many others. The atmosphere of the evening took on a Victoriana steam punk feel with a 'live' interior installation piece, performers, guitar playing, stunning award winning soundscapes and visual mapping. The event also saw the launch of our new short video, filmed by a BAFTA nominated film maker.

The Global Fund for Children UK Trust
Report of the trustees
For the year ended 30 June 2018

The event was deemed a huge success by all who attended and raised £200,000 in unrestricted funding for our vital work. Several members of the US Board, John Hecklinger and two members of staff took the opportunity to travel to London to attend the event, to visit UK staff and donors and to take part in our joint Board meeting of UK Trustees and US Directors.

GFC's Grant making Programme

Each year, two dockets containing grant recommendations are produced, which are presented to the Trustees for consideration at their Board meetings in April and September.

The October 2016 the docket composed of 46 grant recommendations, totalling \$596,000 – the organisations recommended here represent 25 countries. All the grants in the docket are restricted to a particular funder and meet a deliverable towards the funder's support.

The May 2018 docket consisted of 79 grant recommendations, across 35 countries, including 11 grants to new partners and totalling \$1,100,000. All grants will be funded through restricted funding dedicated to grants.

Value Added Services:

The capacity-building nature of GFC's model makes it both unique and effective. Our capacity-building services strengthen, connect and convene our grassroots partners, multiplying the impact of our grant support. Our partners recognise our capacity-building support as an important factor in their growth and development.

Safeguarding Children & Youth

GFC has a strong commitment to protecting those most at risk and acting as a role model for child and youth-serving organisations. Although children and youth may be extremely resourceful and resilient, they are also particularly vulnerable to abuse due to their lack of status and power, their stage of development, and their reliance on adults. As a result, we have developed the GFC Global Safeguarding Policy to reflect our commitment to ensuring that our staff and those delivering our programmes respect, promote, uphold and protect the rights of the child as set out in the UN Convention on the Rights of the Child and in line with GFC values.

Financial review

The total income for the year to 30 June 2018 amounted to £310,537. This represents a significant decrease in the UK funding as compared to last year. The UK Trust was able to award £49,704 of grants to support its charitable activities. Total charitable expenditure amounted to £403,415 of which 40% was spent on support costs.

The Board of Trustees, who have all been very generous with their time and financial support have given generously this year with total donations of £25,072 with a further \$380,000 which was paid into GFC's US account. A further \$113,269 was received from other donors who wished to contribute in dollars.

Investment policy

At present, the policy for the trust is to invest only in cash deposits.

Reserves policy

The Trust has decided that it would be prudent to hold the equivalent of 2 months expenditure on staff and overheads in reserve. However, we are aiming for 6 months for an extra cushion. With an average monthly burn rate of £25,000 in the UK we secured the full 2 months by the end of this fiscal year and the full 6 months by the end of the FY19.

The Global Fund for Children UK Trust
Report of the trustees
For the year ended 30 June 2018

Principal risks and uncertainties

The Trustees carry out an annual Risk Management Review. The Trustees review these risks on an at least annual basis to satisfy themselves that adequate systems and procedures are in place to manage the risks identified, and to ensure that appropriate mitigating actions are taken. When completed, this review is documented in the minutes of the relevant meeting of the Trustees. As the Trust relies on donations, the principal risk is the impact of the economic climate for grant funding and donations. An evaluation is made of potential and actual funding events to ensure trust resources are used in the most effective manner and achieve value for money.

Plans for the future

GFC will continue to help fund the expenses of The UK Trust and provide operational support as needed.

The Board of Trustees will continue to develop, plan and launch new initiatives to expand The UK Trust's donor base.

Next year will be a year of continued and consolidated growth for the UK Trust as we build and strengthen our corporate and institutional partnerships as well as deepen our pro bono and individual donor relationships.

Key management remuneration policy

Key management of the charity are regarded as its Trustees and the Managing Director. The Trustees give their time freely and none of the Trustees received remuneration in the year.

The pay of the Managing Director's remuneration is set by the Financial Committee and is reviewed annually. A number of criteria are used in setting pay:- nature of the role and responsibilities, competitor salaries in the sector and the sector average salary for comparable positions. End of Year Performance Evaluations, where goals and targets are set, are reviewed by the Trustees and the CEO of GFC.

Going Concern

The Trustees assess whether the use of going concern is appropriate. i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of period of one year from the date of approval of the financial statements. After reviewing the UK Trust's forecasts and projections, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the unforeseeable future. The key factors for this expectation are as follows:-

- The UK Board is confident that the new senior management team in the US and the new Managing Director in the UK are well placed as GFC enters a new phase of discovery, innovation and change.
- Temenos, who has supported GFC since 2008 has invited us, in 2018, to submit two proposals for our work on gender equity in Africa and India.
- The Derrill Allatt Foundation has invited us to submit an application early next year – a meeting has been set for January 2019 to discuss regions and funding levels.
- We have plans in place to submit a further grant to Comic Relief once their funding cycle has opened.
- Fondation Les Paquerettes is considering an application submitted for a further grant of Euros 300,000 over three years for our work in Togo.
- Our application for ANBI status from the Netherlands is now complete so work will begin to access Dutch Funders – namely Af Jochnick Foundation and The Turing Foundation. We will also research Scandinavian opportunities, through SIDA, DANIDA etc.
- We are also applying for a number of "seasonal appeals" (BBC Radio 4, ICAP, BGC Big Charity Day, etc).

**The Global Fund for Children UK Trust
Report of the trustees
For the year ended 30 June 2018**

- Work will continue to develop relationships with our pro bono partners and it is hoped that numbers will grow from the present 16 to about 25.
- Current pro bono partners bonafide hr and EasyWeb will host an event with a strong arts/crafts sale element at WeWork on 22nd November, 2018. All proceeds will go to GFC.
- With the assistance of the US communications team we will develop and grow all aspects of Social Media and improve the UK Trust's presence on the global website. We will also continue to grow our networks via the WeWork social media platform.
- It is intended to increase UKT Board numbers in the new fiscal year by 2-3 new Trustees who will be pro-active in fundraising and may be part of a new UKT Fundraising Committee
- Past Trustees, existing donors and new GFC supporters have expressed interest in joining a GFC Ambassador Group. Each member of this group will be asked to undertake one fundraising activity for GFC per annum. To date the following have said they would be happy to join this group and undertake a fundraising activity: John Hepburn, Jim Sheridan, Vagn Soerensen, Paul Aston, Sarah Kent-Lemon, Dina D'Angelo, Tim Lambert and Aiysha Whifield
- Work has started to develop long-term, sustainable partnerships with private schools and initial introductions have been made with Radley and Eastbourne.
- The UK Board is fully committed and is looking forward to another successful year of bringing in new resources, expanding our reach, raising awareness and funding the forefront of social change.

Trustees' Responsibilities Statement

The Trustees (who are also directors of The Global Fund for Children UK Trust for purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper and adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Global Fund for Children UK Trust
Report of the trustees
For the year ended 30 June 2018

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

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charities' auditor is unaware, and
- the Trustees, having made enquiries of fellow directors and the charities' auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small Companies Regime

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Auditors

Moore Stephens were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 18/9/2018 and signed on their behalf by



Michael Daffey – Chair of the Board of Trustees

Independent Auditor's Report to the Members of The Global Fund for Children UK Trust

Opinion

We have audited the financial statements of The Global Fund for Children UK Trust (the 'charitable company') for the year ended 30 June 2018 which comprise Statement of Financial Activities, Balance Sheet, and 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 FRS 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 charitable company's affairs as at 30 June 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in 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 material uncertainties that may cast significant doubt about the 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 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.

Independent Auditor's Report to the Members of The Global Fund for Children UK Trust

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities Statement set out on page 9, the trustees 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

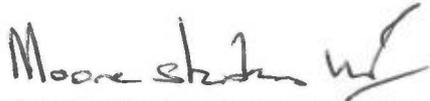
Auditor's responsibilities for the audit of the financial statements

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 guarantee 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of The Global Fund for Children UK Trust**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.



Nicholas Simkins, *Senior Statutory Auditor*

For and on behalf of Moore Stephens LLP, Statutory Auditor

Moore Stephens LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
150 Aldersgate Street

London
EC1A 4AB

Date: 17 October 2018

The Global Fund for Children UK Trust

Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 30 June 2018

	<u>Note</u>	<u>Restricted</u> £	<u>Unrestricted</u> £	<u>2018</u> <u>Total</u> £	<u>2017</u> <u>Total</u> £
Income from:					
Donations and legacies	2	78,654	231,883	310,537	783,694
Total		<u>78,654</u>	<u>231,883</u>	<u>310,537</u>	<u>783,694</u>
Expenditure on:					
Raising funds	3	-	189,461	189,461	128,818
Charitable activities					
Grants awarded	14	49,704	-	49,704	446,344
Support costs	4	78,405	85,845	164,250	99,564
Total		<u>128,109</u>	<u>275,306</u>	<u>403,415</u>	<u>674,726</u>
Net income/(expenditure) being net movement in funds	5	(49,455)	(43,423)	(92,878)	108,968
Reconciliation of funds:					
Funds at the start of the year		<u>49,455</u>	<u>165,793</u>	<u>215,248</u>	<u>106,280</u>
Funds at the end of the year	11/12	<u>-</u>	<u>122,370</u>	<u>122,370</u>	<u>215,248</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 17 to 24 form part of these accounts.

The Global Fund for Children UK Trust

Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 30 June 2017

	<u>Note</u>	<u>Restricted</u> £	<u>Unrestricted</u> £	<u>2017</u> <u>Total</u> £	<u>2016</u> <u>Total</u> £
Income from:					
Donations and legacies	2	336,042	447,652	783,694	555,024
Total		<u>336,042</u>	<u>447,652</u>	<u>783,694</u>	<u>555,024</u>
Expenditure on:					
Raising funds	3	-	128,818	128,818	153,812
Charitable activities					
Grants awarded	14	216,344	230,000	446,344	296,140
Support costs	4	71,638	27,926	99,564	81,150
Total		<u>287,982</u>	<u>386,744</u>	<u>674,726</u>	<u>531,102</u>
Net income/(expenditure) being net movement in funds	5	48,060	60,908	108,968	23,922
Reconciliation of funds:					
Funds at the start of the year		<u>1,395</u>	<u>104,885</u>	<u>106,280</u>	<u>82,358</u>
Funds at the end of the year	11/12	<u>49,455</u>	<u>165,793</u>	<u>215,248</u>	<u>106,280</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 17 to 24 form part of these accounts.

The Global Fund for Children UK Trust

Company No. 6031876

Balance Sheet at 30 June 2018

	<u>Note</u>	<u>2018</u> £	<u>2017</u> £
Current Assets			
Debtors	9	83,601	108,774
Cash at bank and in hand		<u>68,899</u>	<u>138,959</u>
		152,500	247,733
Creditors, amounts falling due within one year	10	<u>(30,130)</u>	<u>(32,485)</u>
Net Current Assets		<u>122,370</u>	<u>215,248</u>
Net Assets	11	<u>122,370</u>	<u>215,248</u>
Funds			
Restricted funds			49,455
Unrestricted funds			
General funds		<u>122,370</u>	<u>165,793</u>
Total Charity Funds	11/12	<u>122,370</u>	<u>215,248</u>

The Financial Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the provision of FRS102 section 1A –small entities.

The Financial Statements were approved by the Trustees and authorised for issue on
They were signed on their behalf by:

18/9/2018



Michael Daffey – Chair of the Board of Trustees

The notes on pages 17 to 24 form part of these accounts.

The Global Fund for Children UK Trust

Financial Statements for the year ended 30 June 2018

Notes

1. Accounting Policies

The Global Fund for Children UK Trust is a public benefit entity as defined by FRS102, and a company limited by guarantee, company number 6031876, registered in England. The Global Fund for Children UK Trust is also a charity, registered with the Charity Commission (charity registration number 1119544). The registered office is 10 Queen Street Place, London, EC4R 1BE and its principal place of business is 1 Fore Street, Moorgate, London, EC2Y 9DT.

The Global Fund for Children finds and invests in small, locally led organisations that transform the lives of the world's most vulnerable children.

(a) Basis of accounting

The financial statements are prepared under the historical cost convention unless otherwise stated in the relevant accounting policy notes and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2015) (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The financial statements are prepared under the historical cost convention. The principal accounting policies that have been applied to all periods presented in these financial statements are set out below.

(b) Fund accounting

- Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- Unrestricted funds are donations and other incoming resources received or generated for charitable purposes.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities when the Charity becomes legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies also apply:

- Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received or receivable. Donated services and gifts in kind are not included unless they represent goods or services which would have otherwise been purchased, in which case they are valued and brought in as income and the appropriate expenditure is added.

The Global Fund for Children UK Trust

Financial Statements for the year ended 30 June 2018

Notes (Continued)

1. Accounting Policies (Continued)

- Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet conditions the incoming resource is deferred.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is charged to the Statement of Financial Activities on an accruals basis.

Expenditure includes attributable VAT which cannot be recovered.

- Costs of raising funds relate to the costs incurred by the charitable company in encouraging third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with the publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services to its beneficiaries. It includes governance and support costs.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary overhead costs of the central function, is apportioned on the basis of staff time, of the amount attributable to each activity.

- Grants payable are accounted for in the period in which the award is communicated to the recipient and becomes a contractual commitment.

The Global Fund for Children UK Trust

Financial Statements for the year ended 30 June 2018

Notes (Continued)

1. Accounting Policies (Continued)

(f) Foreign currencies

Transactions in foreign currencies are translated at a weighted average rate. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Exchange differences are taken into account in arriving at the net incoming resources for the year.

(g) Pension scheme

The charitable company makes contributions to the personal pension scheme of the director. Other staff are on the auto-enrolled scheme.

The pension cost charge represents contributions payable under the scheme by the charitable company. The charitable company has no liability under the scheme other than for the payment of those contributions.

(h) Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of period of one year from the date of approval of the financial statements. The Trustees conclude that there are no material uncertainties about the Charity's ability to continue and accordingly the financial statements are prepared on a going concern as per trustees report on page 8.

(i) Critical judgements and estimate

There are no significant areas of judgement or key assumptions that effect items in the financial statements with respect to the next reporting period for the year ended 30 June 2018. The uncertain economic outlook and willingness of the public to make donations and grant funding is a significant area of financial uncertainty. The trustees have mitigated this by conducting an evaluation of potential and actual funding events to ensure that the trust resources are used in the most effective manner and achieve value for money.

(j) Financial instruments

The only financial instruments held by the charity constitute payables and receivables. These are categorised as 'basic' in accordance with section 11 of FRS 102 and are initially recognised at transaction price. These are subsequently measured at transaction price less any impairment.

The Global Fund for Children UK Trust

Financial Statements for the year ended 30 June 2018

Notes (Continued)

2. Donations and legacies

	<u>Restricted</u>	<u>Unrestricted</u>	<u>2018</u> <u>Total</u>	<u>2017</u> <u>Total</u>
General donations	-	220,589	220,589	440,057
Gift aid	-	11,294	11,294	7,595
Grants received	<u>78,654</u>	<u>-</u>	<u>78,654</u>	<u>336,042</u>
Total	<u>78,654</u>	<u>231,883</u>	<u>310,537</u>	<u>783,694</u>

3. Raising Funds

	<u>2018</u> <u>£</u>	<u>2017</u> <u>£</u>
Fundraising staff costs	106,746	78,201
Fundraising – event	<u>82,715</u>	<u>50,617</u>
	<u>189,461</u>	<u>128,818</u>

4. Support Costs

	<u>2018</u> <u>£</u>	<u>2017</u> <u>£</u>
Staff costs	99,413	52,525
Other staff costs	1,033	425
Bank charges	113	179
Insurance	1,159	1,238
Postage	230	190
Stationery	1,468	414
Telecommunications	1,050	1,030
Professional and legal fees	13,227	12,194
Conference and membership	2,312	-
Office expenses	3,831	1,073
Staff travel and subsistence	10,963	1,487
Technology costs	1,010	380
Entertainment and gifts (non-staff)	413	13
Office rent	17,948	18,573
Audit fee	<u>10,080</u>	<u>9,843</u>
	<u>164,250</u>	<u>99,564</u>

	<u>2018</u> <u>£</u>	<u>2017</u> <u>£</u>
Summary staff costs (fundraising and support costs)	<u>206,159</u>	<u>130,726</u>

The Global Fund for Children UK Trust

Financial Statements for the year ended 30 June 2018

Notes (Continued)

5. Net Incoming Resources for the year

This is stated after charging:

	<u>2018</u>	<u>2017</u>
	£	£
Auditor's remuneration		
- audit	8,640	8,640
- other services	1,440	1,203
	<u>10,080</u>	<u>9,843</u>

6. Staff Costs and Numbers

Staff costs were as follows:

	<u>2018</u>	<u>2017</u>
	£	£
Salaries and wages	184,995	114,304
Social security costs	16,349	10,007
Staff benefits	-	557
Pension	4,815	5,858
	<u>206,159</u>	<u>130,726</u>

The average number of staff during the year was 3 (2017: 2).

One employee earned more than £60,000 during the year their annualised emoluments fell within the banding of £70,001 - £80,000. In 2017 no employee earned more than £60,000. Pension costs amounted to £2,202.

No trustee or any person connected with them, received any remuneration or reimbursement of expenses.

7. Key management remuneration

Key management of the charity are regarded as its Trustees and the managing director. Their remuneration amounted to £78,633 (2017: £58,916) for the year.

8. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Debtors

	<u>2018</u>	<u>2017</u>
	£	£
Grants receivable	80,700	105,874
Other debtors	2,900	2,900
	<u>83,601</u>	<u>108,774</u>

The Global Fund for Children UK Trust

Financial Statements for the year ended 30 June 2018

Notes (Continued)

10. Creditors, amounts falling due within one year

	<u>2018</u> £	<u>2017</u> £
Amounts owing to related parties	11,727	11,257
Accruals	10,647	7,596
Deferred income	-	9,074
Other creditors	-	1,569
Taxes and social security	7,756	2,989
	<u>30,130</u>	<u>32,485</u>
	<u>2018</u> £	<u>2017</u> £
Deferred income at 1 July 2017	9,074	90,739
Released from previous years	(9,074)	(90,739)
Resources deferred in the year	-	9,074
Deferred income at 30 June 2018	<u>-</u>	<u>9,074</u>

11. Analysis of Net Assets between Funds

	<u>Restricted Funds</u> £	<u>General Funds</u> £	<u>Total Funds</u> £
<i>At 30 June 2018</i>			
Net current assets	<u>-</u>	<u>122,370</u>	<u>122,370</u>
Net assets at the end of the year	<u>-</u>	<u>122,370</u>	<u>122,370</u>
<i>At 30 June 2017</i>			
Net current assets	<u>49,455</u>	<u>165,793</u>	<u>215,248</u>
Net assets at the end of the year	<u>49,455</u>	<u>165,793</u>	<u>215,248</u>

The Global Fund for Children UK Trust

Financial Statements for the year ended 30 June 2018

Notes (Continued)

12. Accumulated Funds

<i>At 30 June 2018</i>	<u>Opening Balance</u> £	<u>Income</u> £	<u>Expenditure</u> £	<u>Closing Balance</u> £
Restricted Funds				
Fondation Les Paquerettes	29,827	69,580	(99,407)	-
Andrew Wolff	19,628	-	(19,628)	-
Comic Relief	-	9,074	(9,074)	-
	<u>49,455</u>	<u>78,654</u>	<u>(128,109)</u>	<u>-</u>
Unrestricted funds				
General Fund	<u>165,793</u>	<u>231,883</u>	<u>(275,306)</u>	<u>122,370</u>
	<u>215,248</u>	<u>310,537</u>	<u>(403,415)</u>	<u>122,370</u>
 <i>At 30 June 2017</i>				
	<u>Opening Balance</u> £	<u>Income</u> £	<u>Expenditure</u> £	<u>Closing Balance</u> £
Restricted Funds				
Cognita Schools	1,395	-	(1,395)	-
Comic Relief	-	81,665	(81,665)	-
Derrill Allat Foundation	-	62,000	(62,000)	-
Fondation Les Paquerettes	-	113,058	(83,231)	29,827
Andrew Wolff	-	19,628	-	19,628
Stars Foundation	-	14,997	(14,997)	-
Michael Daffey	-	39,165	(39,165)	-
FL Smidth	-	5,529	(5,529)	-
	<u>1,395</u>	<u>336,042</u>	<u>(287,982)</u>	<u>49,455</u>
Unrestricted funds				
General Fund	<u>104,885</u>	<u>447,652</u>	<u>(386,744)</u>	<u>165,793</u>
	<u>106,280</u>	<u>783,694</u>	<u>674,726</u>	<u>215,248</u>

The Global Fund for Children UK Trust**Financial Statements for the year ended 30 June 2018****Notes (Continued)****13. Related Parties**

In 2017/18, The Global Fund for Children UK Trust received donations of £25,072 (2017: £154,165) from Trustees. Of this £nil (2017: £39,165) was restricted donations made by Michael Daffey. The Trustees contributed an additional US\$380,000 (2017: US\$365,100) directly to the US account of The Global Fund for Children all of which were unrestricted.

The Trustees did not receive any emoluments or any reimbursement of expenses during the year (2017: None).

At year end, an amount of £11,727 (2017: £11,257) was owing to The Global Fund for Children for operating expenses paid on behalf of The Global Fund for Children UK Trust's behalf.

Grants transferred to the Global Fund for Children in the year were £49,704 (2017: £446,344).

14. Grants Awarded

As indicated above, grants transferred to the Global Fund for Children in the year were £49,704 (2017: £446,344).

At 30 June 2018, there were no grants payable to other parties (2017: £nil).

No grants were paid to individuals.