



Chance for
Childhood

Registered charity number 1013587

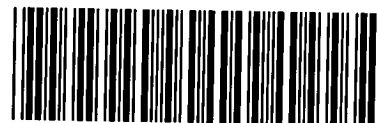
Registered company number 2735643

Chance for Childhood
Annual Report and Financial Statements
Year ended 31 December 2018

NO CHILD FORGOTTEN



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LEGAL AND ADMINISTRATIVE DETAILS

Board of Trustees	<p>Tony Wellby (Chair)</p> <p>Claire Hoffman-McConnell (Vice Chair – resigned 15/04/2019)</p> <p>Mirco Bardella</p> <p>David Crone (appointed 18/06/2018)</p> <p>Joanna Heywood (appointed 02/05/2019)</p> <p>Brenda Killen</p> <p>Maryanne Ochola (appointed 02/05/2019)</p> <p>Sandip Shah</p> <p>Dominic White</p>
Chief Executive Officer	Anna-mai Andrews, then joint CEO with Katie Fowler from 15/10/2018
Company Secretary	Andrew Lowton
Registered office	Westmead House, Westmead, Farnborough, GU14 7LP
Registered charity no.	1013587 (England & Wales)
Registered company no.	2735643 (England & Wales)
Website	www.chanceforchildhood.org
Auditors	Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL
Bankers	<p>National Westminster Bank, 1 High Street, Weybridge KT13 8UA</p> <p>Barclays Bank Plc, 6 Clarence Street, Kingston, KT1 1NY</p> <p>CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London EC4V 4ET</p> <p>Kenya Commercial Bank Rwanda, Remera Branch, Kigali, Rwanda</p>
Solicitors	Wrigleys Solicitors LLP, 19 Cookridge Street, Leeds, LS2 3AG

CHAIRMAN'S INTRODUCTION

Against a backdrop of conflict, growing inequality, and donor insecurity, 2018 has been a monumental year of **innovation, impact and influence** for Chance for Childhood. We put a strong focus on ensuring that we discover, test and learn from new approaches to deliver better outcomes for those most forgotten, whilst replicating and scaling proven projects to support over 7,300 vulnerable children across Africa.

2018 saw the launch of our Challenge Fund, marking a significant shift in the way we deliver impact at community level. Investing in early stage ventures and social entrepreneurs fills a void in traditional overseas aid, offering vital start-up capital to those who can deliver sustainable business model approaches to support vulnerable children in their own community.

We relished the success of our award-winning 'Right2Change' programme, a community-led diversion and rehabilitation programme offering extremely vulnerable young offenders a chance to turn their lives around. Achieving a reoffending rate of less than 1%, this model has been backed for adaptation to design and test Uganda's first social franchise model in the justice sector, allowing our proven pilot to be taken to national scale.

Another key commitment to ensuring the best start in life for every child has led to an expansion of our role in the advancement of inclusive early childhood development. Whilst our work to safeguard the most marginalised children has taken us to some of the hardest to reach corners of Africa, it was in Rwanda's capital that Chance for Childhood provided input to the National Standards for Early Childhood Development Services. Crucially our early detection screening tools received national validation and will help ensure that no child with a development delay or disability is left unidentified and supported in Rwanda. This, alongside our parent education will give every child equal rights to fulfil their potential in a safe and nurturing environment.

These successes are a credit to our African and global partnerships and also reflect the relationships, reputation and added value that Chance for Childhood has been able to bolster through our newly established operational presence in Rwanda, Uganda and Ghana. Our operational presence has enabled us to build a hub of disability inclusion and child safeguarding expertise which adds huge value to our programmes and works in synergy with our traditional partnership model.

On behalf of our beneficiaries, I give my heartfelt thanks for the support, trust and generosity of our supporters, donors and partners. I also thank my fellow trustees and our staff for their dedication and commitment to reach the most marginalised children.

Together we can make sure that no child is forgotten.

Tony Wellby
Chair, Chance for Childhood

The Trustees present their report and the audited financial statements for the year ended 2018.

Reference and administrative information set out on page 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

CONSTITUTION OF THE CHARITY

Chance for Childhood is a charitable company limited by guarantee (no. 2735643) and a registered charity in England & Wales (no. 1013587). It is governed by its Memorandum and Articles of Association, which set out its charitable objectives as existing to "prevent and relieve poverty, improve wellbeing among disadvantaged and vulnerable children, young people and their families, advance education for disadvantaged and vulnerable children, young people and their families and advance human rights of children and young people."

OUR AIMS AND APPROACH

Chance for Childhood is an award-winning charity working in Africa to support the most vulnerable children, often invisible from society, such as street children, disabled children, children affected by conflict and children in conflict with the law. These children are often hidden members of their communities, unable to go to school, excluded from society and living in abject poverty. They are sadly forced to grow up much too quickly...

Our vision

A world where no child is forgotten.

Our approach

We work with and strengthen the capacity of African visionary community leaders and governments to implement locally-relevant yet far-reaching projects that create lasting change within the Justice, Education and Social Protection sectors. This enables us to focus on 'hard to reach' children, both in terms of their complex needs (e.g. street children with learning difficulties) and location (e.g. urban violent slums or remote rural areas).

Our strong ethos of partnership and collaboration continues to be the driver of achieving impact at scale.

Together with our partners, we make ideas and impact both sustainable and scalable to protect, educate and empower even more of the world's most disadvantaged children.



Our expertise

Inclusive education

Every child deserves an education.

- Designing innovative solutions and trainings, such as locally sourced teaching aids, to support teachers to ensure that children with special educational needs are not left behind.
- Piloted the first Learning Support Assistant scheme in East Africa, demonstrating the impact of our low-cost solution to improve enrolment, performance and retention of children with special learning needs in mainstream education.
- Since 2014, we have trained 4,234 teachers, learning support assistants and peer educators to enhance the inclusion of the most marginalised children in education.

Justice for children

Zero tolerance for children being held in adult jails.

- Safeguarding children in contact with justice systems, whether as victims or alleged offenders, ensuring their rights to fair treatment and protection.
- Spearheading juvenile justice reform in the informal sector through our award-winning Right2Change programme.
- First organisation in Uganda and Eastern DRC to pilot a community-based diversion programme which has supported over 2,800 children so far.
- In Uganda, Right2Change achieved a 1% recidivism rate and generated a social return of investment of £10:1.

Social protection

Lifting children and their families out of poverty.

- In DRC we enable 150 families with out-of-school children to start their own business and take part in Village Loan Saving Associations every year.
- In Ghana over 400 children living on the streets can access vital Early Childhood Development centres every year.
- In Uganda we have supported over 1,900 adolescents and young people to start up their own agri-businesses, 90% of whom have found employment within six months.
- In Kenya our start-up business loans have enabled over 100 families to keep their children in school.

Who we help

Street children

Life on the streets is dirty, violent and short. Street children are the target of human trafficking, child labour and physical, sexual and psychological abuse. They are often seen as a burden to society - not as children deprived of their basic human needs and needing protection and care.

What we do:

- Provide safe places to meet most urgent needs.
- Reunite children with their families or find foster families as a temporary solution.
- Run Early Childhood Development centres.
- Provide vocational training and catch up lessons in literacy and maths.
- Offer psychological support & support groups.
- Enable families to start income-generating activities to lift themselves out of poverty.

Children with disabilities

Children with disabilities, especially girls, are three times more likely to be victims of sexual abuse. Deep-rooted traditions of acceptance towards gender-based violence, stigma and negative attitudes lead to these children being excluded, often considered cursed or 'dumb'.

What we do:

- Identify disabled children hidden in their homes.
- Ensure their access to school by training teachers and providing Learning Support Assistants.
- Develop individual education plans for each child.
- Help parents accept and support their children.
- Promote their inclusion within their communities.
- Support national governments to adopt inclusive education training manuals.
- Empower children with disabilities through participation in school clubs.

No child forgotten

Children affected by conflict

The global migration crisis is heavily affecting Eastern Africa with thousands of refugees arriving in Uganda and Rwanda and internally displaced people in DRC. Children are particularly at risk – they can get separated from their families. Many witness, and under duress commit, horrific acts of violence. They often experience severe trauma and integrating them back in society can be hard. Girls are also very vulnerable to sexual violence.

What we do:

- Provide counselling to former child soldiers, vulnerable children and victims of sexual violence to tackle deep rooted issues of self-esteem and self-worth.
- Offer accelerated learning programmes, including vocational training.
- Deliver inclusive education to children affected by violence and conflict.

Children behind bars

Extreme poverty, conflict and loss of support networks can lead to children breaking the law. They steal food to survive, or get into a fight for a spot to sleep at night on the streets. Once arrested, children stay in overcrowded adult prisons, at risk of abuse, malnutrition and brutality. 83% of girls and women in jail in DRC have experienced some sort of physical abuse.

What we do:

- Provide legal aid to ensure a fair and appropriate representation.
- Provide education and vocational training to vulnerable young offenders.
- Ensure that child protection and justice systems are inclusive to safeguard those who need it the most.
- Deliver basic counselling, mediation and support to children and their families through peer educators.

How we select our partners

Given the importance of our work with partners, any new partner is selected following a rigorous process. Each potential partner is scored on five key criteria:

- **Accountability:** evidence that interventions and services respond to community needs and views, in particular children and young people.
- **Learning:** commitment to learning, through regular monitoring of activities.
- **Collaboration:** openness to collaboration, and willingness to influence system change and contribute to the sector.
- **Right-based:** a genuine commitment to a right-based approach to development, in particular developing interventions in line with the Best Interests of the Child, and rights to participation in decisions affecting their lives in line with the UN Convention on the Rights of Children.
- **Accountability and financial management capacity,** supported by a separate due diligence and financial assessment. Failure to satisfy these criteria automatically results in the adjournment of the partnership.

During 2018 we finalised the development of our 'Partnership Journey' strategy which sets out minimum standards for partnership management, and guides both current practice and future decisions regarding partnerships. Within the Partnership Journey, we outline our rationale to collaboration with African-led partners as underpinned by:

- Harnessing community knowledge, and ownership.
- Promoting holistic interventions.
- Tackling resource gaps.
- Promoting synergies over duplication.
- Achieving impact at scale.

Here's what some of the anonymous feedback from our partners this year:

“ We have benefited a lot from the services offered by Chance for Childhood in terms of capacity building and especially in the financial management aspect.”

“ Chance for Childhood should continue its engagement with partners with new innovative and creative ideas to create an environment of sustainability.”



KEY ACHIEVEMENTS AND PERFORMANCE IN 2018



Overall our work benefited over 14,000 people in impoverished communities across Africa.

We trained 1,232 frontline workers including 292 teachers and 78 learning support assistants who provide inclusive education to the most excluded children.

We achieved a 1% recidivism rate in Uganda with children in conflict with the law. For every £1 spent on Right2Change, we generated a social return of investment of £10.

In the Democratic Republic of Congo, we educated 2,650 children, 800 adults and 300 public transport users on what they can do to keep safe from the deadly Ebola virus.

In Ghana, we gave 550 street children aged under 6 the chance to be in a safe, caring environment and access essential pre-school education.

In Kenya, 598 street children received quality inclusive education and a chance to build a better future for themselves.

This year, Chance for Childhood launched its 2018-2021 organisational strategy. Overall, we aim to strengthen our operational expertise to scale our impact nationally in a minimum of five countries. We will continue to invest time and resources into increasing the capacity of all existing and new partners and seek to ensure greater participation of partners and beneficiaries in the design and evaluation of our work. Working strategically at an advisory level, we will work to enhance disability inclusion amongst national partners, with a strong focus on influencing policy makers to ensure that no child is left behind.

Rwanda: Breaking new ground for children with disabilities nationally

Despite making significant social and economic progress, Rwanda remains a country where disability still carries a big stigma. Children with disabilities can end up begging on the streets or locked up at home. The 2014 census found 24,862 children with disabilities in preschool, primary and lower secondary schools. This is just 0.85% of the children enrolled in these age groups.

That said, the policy environment is progressive and, following the success of our first inclusive early childhood development (ECD) pilot in the Musanze District, Chance for Childhood inputted into the 2018 *National Minimum Standards, Norms and Guidelines for ECD Services in Rwanda* in collaboration with the National ECD Programme under the Ministry of Gender and Family Promotion.

In 2018, our experience in Musanze led to a new, exciting partnership with UNICEF Rwanda to reach ECD services in 21 out of 30 districts in Rwanda. Together we aim to ensure that ECD services are inclusive so that all children can access quality care and education. In 2018, as well as training 60 staff across six NGOs on inclusive data collection in ECD setting, we also led the development of an early detection tool for children 0 to 2 years, to identify children with developmental delays or at risk of developing a disability. We are delighted that this tool was subsequently formally validated by the Ministry and is in the process of being rolled out nationally.

“ I used to think that our child with severe disabilities would never learn something new in life but today we have learnt that even understanding their needs is part of learning” - *Mother of a child with cerebral palsy*

Chance for Childhood also supports the Nyabihu School for Deaf Children. In 2018, 117 deaf children were taught the national syllabus, along with Rwandan Sign Language and lip reading. A further 84 deaf children learned alongside their hearing peers in mainstream schools - Nyabihu is the only school in the country to achieve such exceptional success rates in including children with hearing impairments in state schools.

Sadly, the school was set to be demolished due to the government's road extension. Following 15 months of construction, the new buildings were inaugurated in November 2018 and the children are delighted to be in their new, bigger purpose-built school!

As one of the pupils explained “I'm very happy to start the year in the new buildings. Our school is very nice. Our dormitory is very good with enough light. We no longer line up for only one toilet! Our dining hall is well cemented, with no holes. I love this school, it is totally different from that one where we were last year!”



Uganda: A new start for traumatised young people

Decades of civil war between the government and the Lord's Resistance Army have left Northern Uganda in chaos with dysfunctional social welfare systems. Youth unemployment is estimated at 83% in Northern Uganda¹. Young people live in abject poverty leaving them with no choice but to break the law to survive - 60% of children are apprehended for petty crimes (e.g. theft of food, school materials, sanitary pads)².

The lack of probation officers and prosecutors means that children are held in prison for prolonged periods of time. When a hearing is finally held, just a handful of children are granted the right to be trialled in a juvenile court with legal representation. A severe lack of social workers, judiciary personnel and pro-bono lawyers continues to compromise children's rights to access fair legal treatment and protection. With no prospect of rehabilitation, they risk leaving detention facilities further worse off and traumatised. Current reoffending rates in the area remain at 32%, and prolonged unlawful detention in adult prisons, even for petty crimes, is widespread³.



Our award-winning Right2Change project tackles these issues by providing legal advice, counselling and vocational training, enabling children's successful reintegration into society. Right2Change also makes smart use of community-based non-custodial rehabilitation as alternatives to detention. In 2018, Right2Change was expanded to a fourth and equally challenging district - Lamwo, bordering with South Sudan and currently hosting a considerable number of growing refugee settlements.

In 2018, our work in Agago, Pader, Kitgum and Lamwo Districts helped 713 children in conflict with the law and young people at risk. Of these, 40 young people completed catch-up literacy and numeracy classes, 125 took tailoring, hairdressing or soap-making courses, and 518 completed agribusiness training. 95% of graduates are now earning an income. **Most importantly, 99% of our beneficiaries did not reoffend.**

We also trained 26 frontline workers (e.g. police officers, magistrates) and 134 local council officers in juvenile justice standards, child protection and structured diversion as part of our strategic efforts to effect systemic changes within the justice system.

In the second half of the year, we conducted an important external evaluation of our project to analyse potential cost-savings that community structured diversion can leverage in comparison to detention. The study assessed the social value of Right2Change through a social return on investment analysis based on in-depth consultation with stakeholders, outcome measurement and a willingness to pay technique. Our findings reveal that Right2Change's total net social benefit is estimated at a ratio of 10.30 to 1. So, for each £1 invested, the project generated a social benefit of £10.30.

¹ Overseas Development Initiatives, 2016

² Chance for Childhood's needs assessment, 2016

³ Justice, Law & Order Sector, Republic of Uganda, 2016

In 2018, a further 650 young people aged 14-25 accessed agribusiness training and became financially resilient. 300 young people were trained in business and entrepreneurial skills. At the end of the training cycle, 51 loans were disbursed to start up a business.

Finally, we supported 107 orphaned and vulnerable children aged 3 to 18, living in 26 child-headed households. Each household has been allocated to a community mentor and is also receiving seeds and livestock. Together with their mentors, the head of households have been attending agricultural production, animal rearing and management training as well as child protection training. An amazing 99% of children reported having seen their well-being improved, especially regarding food and health.

BOSCO'S STORY

My name is Bosco and I'm 16. When I was younger I dreamt of becoming a doctor, but this aspiration vanished shortly after losing both my parents during the civil war of Northern Uganda.



After my older sister left with a man, I had to fend for myself and my young siblings. Life became very hard: we barely had any food, we didn't have anywhere to sleep and going to school became impossible. I had to work in the fields in exchange of a hand full of food. That would keep us going for a couple of days. Then I would do it all over again, in the same vicious cycle.

We ended up begging on the streets. Luckily a local counsellor referred us to Chance for Childhood and its local partner. They provided us with counselling, a mentor (our immediate neighbour), and training on agribusiness and animals. Later we got some maize and beans seeds, and four goats. Last year, I was able to harvest five sacks of sorghum and four sacks of cotton earning 200,000 schillings (£45). We now have nine goats too!

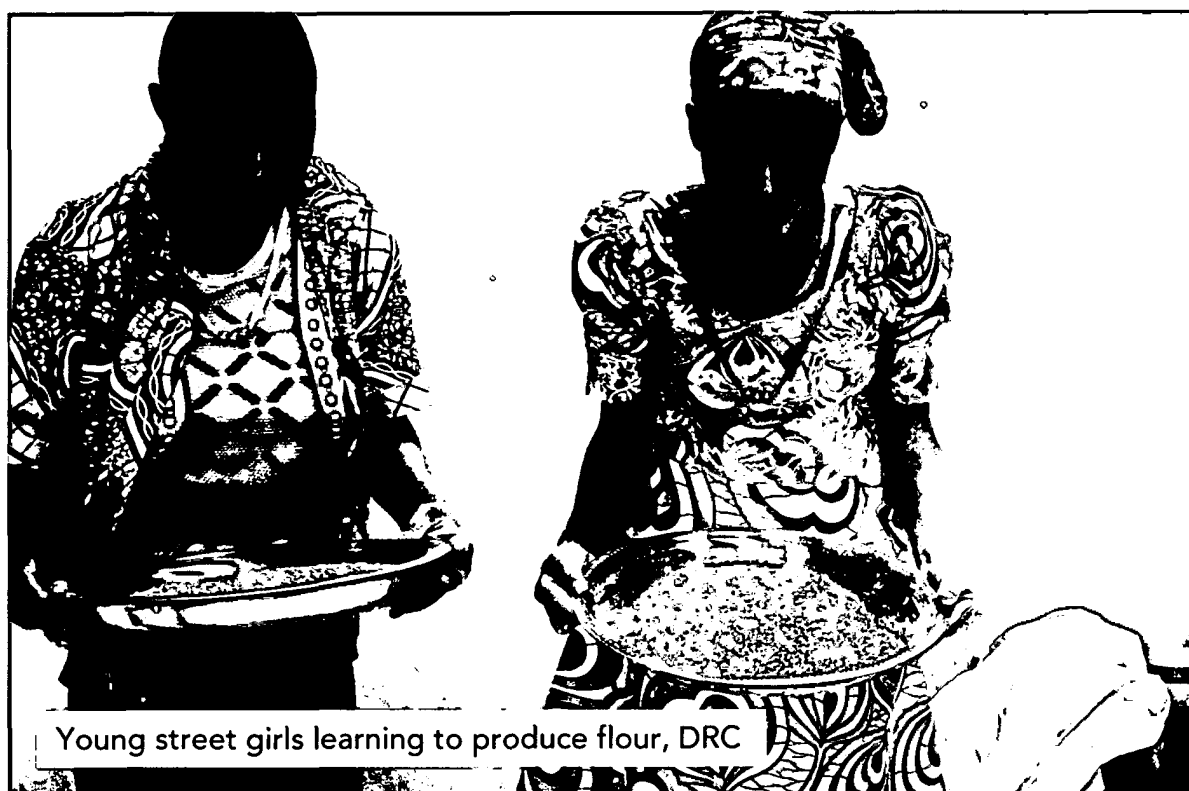
Two years on and life has completely changed. I've completed my primary education. I decided to stay home this year so that I can do more farming and raise enough money for my brother to finish primary school. Next year I'll join secondary school. This fast progress makes me believe I will still achieve my dream of becoming a doctor, I just need to be patient and give it time!

Democratic Republic of Congo (DRC): Restoring childhoods torn apart by conflict Eastern DRC is still the epicentre of the deadliest conflict since World War II. Protracted conflict in the Kivu region has caused extreme poverty, fragmented public services and a weakened rule of law. Despite incremental progress registered since 2012, the country is ranked 176 out of 188 on the UN Human Development Index, and large population displacements, eroded community networks, and insufficient support to the most marginalised all continue to threaten the realisation of lasting peace in the region.

To exacerbate things even further, in August 2018, a new **Ebola outbreak** was declared in North Kivu. As of April 2019, the disease had killed over 950 people. To respond to the Ebola crisis, in August 2018, Chance for Childhood launched an appeal to raise funds for education and prevention campaigns in the schools and communities we work in Goma and Kibati, situated only 115 miles from Ebola-affected areas. Since August, we have educated 2,650 children, 800 adults and 300 public transport users on what they can do to keep safe from the lethal virus. We have also provided hand washing facilities to schools and used radio to reach out to those living in rural areas.

With one out of every four children not in education, DRC has one of the largest numbers of out-of-school children globally⁴. In North Kivu where we work, over 40% of children are out of school⁵. To combat educational barriers for out of school war affected children, in 2018 we gave 304 of the most vulnerable children (who have missed out up to three years of education or are too old to enrol in primary school) access to quality basic education. This year over 90% of children successfully completed their grade, and we also trained 37 teachers.

Finally, in 2018 we supported 80 adolescent girls in vocational training and business development. This project helps combat traditional gender perceptions, which leads to girls being at an even greater risk of dropping out of school to focus on domestic chores or get married. 100% of those girls are now either self-employed or in employment.



Young street girls learning to produce flour, DRC

Kenya: Better educational outcomes for street children

Chance for Childhood has been working in Kisumu, Western Kenya, since 2009. The third largest town in Kenya is home to a growing number of street children, estimated to be at least 1,000⁶. The average life expectancy of a youth who has been living on the streets of Kisumu is just 28.

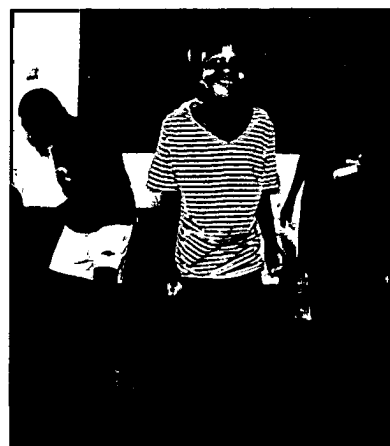
In 2016, we launched our four-year 'LEAP from the Street' inclusive education project for street children, funded by Comic Relief. We provide unique, inclusive support services that cater for the special learning needs of children who have been traumatised by family separation, violence, neglect and a frightening existence living or working in the streets.

⁴ Global Partnership for Education, 2018

⁵ UNICEF, 2017

⁶ Agape Children's Ministry

In 2018, **598 street children** were provided an inclusive quality education. Through our partnership with seven local organisations, 337 children with special educational needs were supported by Learning Support Assistants, who act as teaching assistants. 261 children also took part in non-formal education - these catch-up lessons enabled 92% of them to integrate into mainstream schools, where they continue to receive tailored services to ensure a long-lasting impact. Critical to this work is a strong focus on violence prevention at home, a key driver of poor school performance.



We also ran **five communication camps**. These residential workshops are an innovative, home-based early childhood development, where parents learn how to better care for their children with special needs. The families of 86 children took part in six communication camps for children with cerebral palsy and learning disabilities. Following the initial training, parents are encouraged to join self-help peer support groups which offer ongoing support for both children and parents.

Ghana: Inclusive early childhood development for street children

Despite steady economic growth, the wealth divide in Ghana is increasing, leaving many families struggling to provide basic necessities for their children and ending up living on the streets. In Accra, Ghana's capital, there are an estimated 61,400 street children⁷.

Mothers of these children, predominantly from the North, migrate to Accra in search of jobs. They end up settling for menial, hazardous works, such as head porters commonly known as "Kayaye", to the detriment of their health whilst exposing the children to conditions such as violence, neglect, poor or inexistent shelter and healthcare.

Chance for Childhood has been supporting street children in Ghana's capital, Accra, since 1999. Our focus is on ensuring children of young street mothers have access to **quality inclusive pre-school education**. In 2018, 497 children, aged 0-7, accessed quality inclusive pre-school education at the Kinbu and Railways Early Childhood Development centres. These centres offer quality pre-education, and a place of safety where the children's nutrition and psychological needs can be met.



Enrolling children at the ECD centres has a positive impact on their mothers' capacity to earn an income and the child's ability to develop motor, language and social skills.

“

In the past I used to worry a lot having my child strapped on my back the whole day in the sun whilst carrying heavy loads. Now, when I send my child to the centre, I'm comfortable that he's in a safe environment learning and playing until I go back for him.” - *A young mum*

⁷ Census on Street Children in Greater Accra Region

A comprehensive **parenting training** is regularly provided to young street mothers to equip them with the right knowledge, attitude and skills to care for their children and support their education. A total of 235 mothers have graduated from the parenting school and built positive parent-child relationship. The use of corporal punishment as a means to discipline has also greatly reduced.

“ Before this training, I once beat my little child so hard that she went unconscious. I had to pour water on her and go to the hospital before she regained consciousness. If I had the knowledge that I have now on good parenting, I would not have done such a thing.”

We provide **shelter and training to pregnant teenagers** living on the streets and vulnerable young mothers. In 2018, 65 girls benefitted from anti-natal and post-natal services, counselling, meals and vocational training (e.g. catering, dress making). The existing shelter had to be partially demolished in 2018, due to irremediable cracks in the building. We have secured funding to help rebuild the refuge in 2019 - the new multi-purpose structure will provide critical urgent support for pregnant street girls and young vulnerable mothers, along with a training centre and a creche.

The Challenge Fund

In September 2018, Chance for Childhood invited organisations, children and youth advocates, social entrepreneurs and unsung changemakers to submit innovative ideas that contribute to ensuring no child is forgotten. Through strategic investment into innovative ideas, the aim of the Challenge Fund was to generate new evidence on successful strategies to deliver impact in children and young people's lives and to test the demand and appetite amongst young entrepreneurs for receiving start-up grants or repayable loans.

We looked for innovations that addressed two specific challenges directly linked to our strategic objectives and themes: the **Inclusion Challenge** (reducing stigma towards children with disabilities) and the **Gender and Justice Challenge** (protecting girls and their babies in prison).

Our expert panel chose ideas that stood out as forward-thinking, innovative ways to tackle historic problems. They represent a diverse portfolio of organisations and companies, harnessing modern technologies to bring about much-needed change. Five grants were awarded to:

- EmbraceKulture's iKnow mobile screening tool in Uganda,
- UWEZO's education resources for blind and deaf children in Rwanda,
- SNUPA's inclusion of children with Albinism in Uganda,
- Healthy Food Processing Co's maize milling in Rwanda,
- Mucobadi's business centre for girls in Uganda.

In 2019, we will report on the outcomes of these investments and disseminate learning about the impact that this new approach has generated, both to inform what is working at community level and whether Chance for Childhood should expand this approach to testing new ideas. We are already working on the development of a new Challenge Fund round, taking on board the learning from the first round.

Zambia: Caring for children and young women living on the streets

Working in the slums of the capital Lusaka, we economically empower abused and highly vulnerable women by enrolling them into **cooperatives**, providing training and running a loan-saving scheme. In 2018 we continued to support women self-help groups which saw 79% of women increase their savings over a one-year period. We also worked in schools and on the streets to **educate children about their rights**, the dangers of drugs and gangs, and how to report abuse.

Since the beginning of 2019, and given the nature and success of the cooperatives, our projects in Zambia have subsequently become independent. As part of our exit strategy in Zambia, we have invested in the development of a local network of street child organisations in order to promote and facilitate the coordination of case management across the city of Lusaka.

Mozambique: Economically empowering forgotten young people

In the capital Maputo, we support a **bespoke training programme** offering skills which are in high demand on the local job market. We mentor and train young street people to help them establish their small businesses and secure a sustainable livelihood. We provide individual start-up kits with the equipment relevant to their business and source local materials to set up a small 'kiosk' (e.g. tailoring). Since our project started in 2015, 70 young people have been supported and the overall business generating revenue has reached a phenomenal £14,840, demonstrating the potential for small well-run businesses to lift young people out of poverty.

Advocating for the rights of vulnerable children in the UK and overseas

Since the opening of our regional office in Rwanda in 2017, Chance for Childhood Rwanda has been recognised as the leading child-focussed disability inclusion specialist with a distinct expertise in Early Childhood Development. Working hand-in-hand with UNICEF Rwanda and the National Early Childhood Development Programme under the Ministry of Gender and Family Promotion we were delighted to be asked to input into the *National Minimum Standards, Norms and Guidelines for ECD Services in Rwanda*.

Of huge significance is the national validation of our early detection and disability screening tools, which will be rolled out to community-based professionals across health and early childhood development facilities in Rwanda. We are delighted that our investments in innovative pilots have now been tested, validated and embedded into national policies to impact all children across the country. Proof that a small NGO like ours can really deliver on a national scale!

Based on the success we have seen in Rwanda in influencing policy and achieving scale through national level programming, we have taken the decision to strengthen our programme management and influence in both Ghana and Uganda by pursuing country registrations in 2019.

Another key event in 2018 was the UK government's first ever Global Disability Summit. At the Summit, Chance for Childhood signed the Charter for Change, as one of 170 organisations to make tangible commitments to tackle stigma and discrimination against people with disabilities. We continue to play an active role in the Child Rights and the Disability and Development working groups of Bond (the UK network for organisations working in international development), the former of which we are now sitting on the steering panel.

HOW WE MANAGE OUR AFFAIRS

Governance

Chance for Childhood is governed by a Board of Trustees (see page 2) who are also directors for the purposes of company law. Board meetings are held a minimum of four times per year and additionally if required. The Board of Trustees delegates financial oversight to a Finance Committee that meets quarterly, to coincide with quarterly reviews of results and reforecasts of the budget.

No trustee can be appointed who is not approved or recommended by the Board. Trustees retire after a term of three years but may be reappointed to the Board. Any trustees appointed during the year must be approved by ordinary resolution at the Annual Trustees Meeting. In the event of the company being wound up members are required to contribute an amount not exceeding £1 each. The company has 8 members.

New trustee appointments are advertised and selected during a transparent recruitment process. Roles are defined in accordance with recognised skill gaps within the governing structure. All candidates are interviewed by the Chair of the Board. If they are a good fit with our charitable aims and objectives, all trustees will vote to appoint the new trustee. Once appointed, new trustees are provided with a complete induction pack, relevant publications and one-day induction in the UK office. All trustees are encouraged to attend an annual away day with staff and regularly discuss any training needs with the Chair. In 2018, our Chair attended various relevant working groups, events and trainings regarding best practice in governance, managing risk and board diversity.

Following an audit of skills and experience of our Board, we were delighted to welcome our first Youth Trustee in April 2018 following a robust recruitment process. As well as supporting our objective to ensure youth participation at all levels of decision-making and governance, this also provides an opportunity to develop the trustees of tomorrow through mentorship with our more experienced Trustees.

In early 2019, we were pleased to welcome two additional trustees: Maryanne Ochola, East Africa Regional Chapter Manager of the Aspen Network of Development Entrepreneurs and Joanna Heywood, Relationship Director from Big Society Capital. Critically, Maryanne is our first trustee based in the East African region, providing governance and strategic insight to our operations. All three of our new Trustees have supported one of our key aims this year which was to ensure a diverse Board of people from different backgrounds and cultures.

We closed 2018 with final approval from the Charity Commission on the minor revision to the Street Child Africa Articles of Association (dated 22nd November 2017) marking the end of the administration concerning the merger with Chance for Childhood and thus enabling us to properly integrate all of our systems.

Management

In 2018, Chance for Childhood employed 11 full-time and part-time paid staff, including two graduate trainees, equating to 9.8 full-time equivalent posts. We were also supported by one volunteer.

Chance for Childhood is very proud to be led by a female co-CEO job share, demonstrating its significant commitment to gender diversity at management level.

Their 30 years' combined experience in the international development sector and demonstrable leadership skills have maintained a stable leadership whilst retaining two long-standing members of staff who are, together, able to deliver on the organisation's objectives and annual business plan. This position is appointed by the Board of Trustees and supported by a Senior Management Team (SMT), currently based in the UK. Our operational guidelines set out authority limits for the SMT and CEO, outside of which matters are referred to the Board.

Overall, we review our operational objectives, activities and impact as a part of our annual strategic planning process and bi-weekly SMT meetings. We look at the depth and breadth of our impact on the children's lives as well as the impact that our work has on the wider families, communities, environment and economies where we work.

In 2017, the trustees undertook a detailed benchmarking, utilising the Croner Charity Rewards Report. During 2018, the updated data was reviewed against our staff. Our approach to remuneration is designed to ensure we can attract and retain the most talented and motivated people to achieve our mission. It is applied consistently across our organisation, so that all positions are benchmarked against salary ranges for the sector and within the context of affordability. We are embarking on a similar process for our staff based in Africa to ensure fairness and competitive salaries in all countries in which we operate.

Risk management

Principle risks and uncertainties are identified bi-annually and collected in the risk register. The SMT reviews the latter regularly to manage the risks and discuss mitigation strategies. The Finance Committee reviews these risks on a quarterly basis. The key risks include:

Being accountable to the children we support

The safeguarding of the children we support remains one of the major risks, due to the complexity of need and remoteness of the environments where we work. Efforts to reduce these risks include ongoing investments in child safeguarding training and the roll out of our recently reviewed child safeguarding framework and the implementation of risk protection tools to ensure child protection issues are detected early and reported immediately using our referral mechanisms. This also includes ensuring that our safeguarding practices are relevant for extremely marginalised and vulnerable groups such as children with disabilities. Our increasing work to provide technical support in disability inclusion to providers of education and other children's services ensures we have inclusion at the forefront of all our work.

Risk of losing donors' trust

The funding climate for international charities remains challenging, with greater distrust by the public than in other sectors. Increasing our transparency to both donors and beneficiaries lessen this risk as we enter an increasingly unpredictable funding environment. This year we have made strides to enhance transparency through clear digital communications and our impending registration to the International Aid Transparency Initiative will further enhance our accountability.

Safety and security of our staff

Along with ensuring the safeguarding of our beneficiaries, the safety of our staff and our partners' teams remains a key concern as we work in volatile and remote locations,

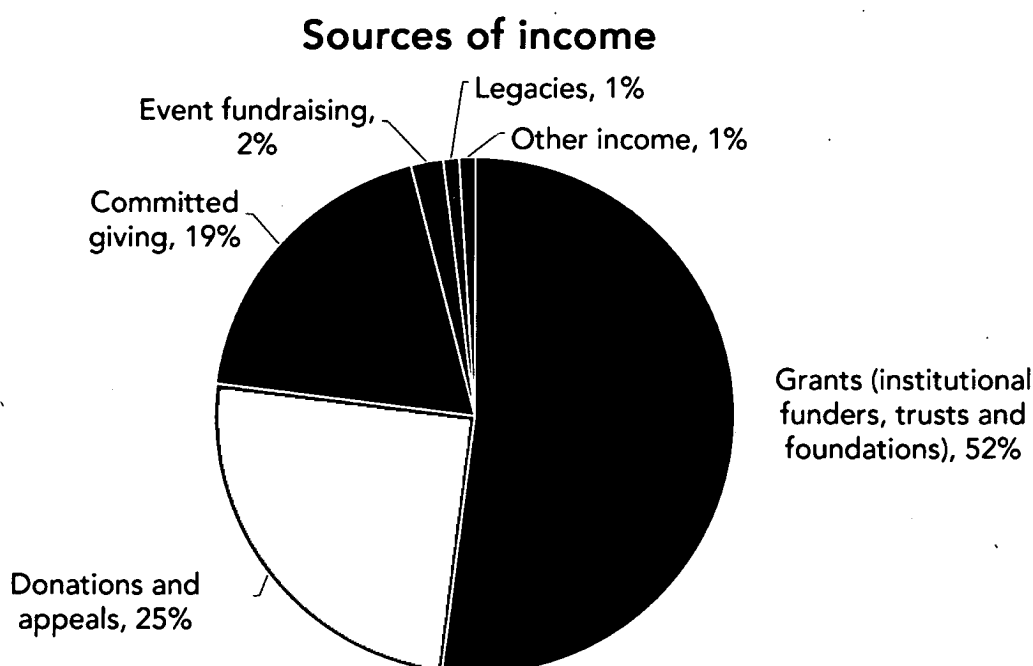
which pose significant dangers. The current Ebola crisis in North Kivu, DRC, poses significant health risks to our beneficiaries and local partner. Along with the current prevention work being done, we also developed a thorough contingency plan in the event of Ebola reaching our projects. We have and will also continue to invest in security training to ensure that procedures are followed and risks mitigated.

Consideration of public benefit

Chance for Childhood trustees ensure that the charity carries out its aims and objectives and that these benefit the public. Chance for Childhood's public benefit includes our work with vulnerable children in the Democratic Republic of the Congo, Ghana, Kenya, Mozambique, Rwanda, Uganda and Zambia. In the UK, we work to inform and raise awareness of the general public about the situation facing the most vulnerable children in Africa. The trustees refer to the guidance issued by the Charity Commission on public benefit when planning and reviewing objectives and activities annually.

RAISING FUNDS

Chance for Childhood income in 2018 was £1.14 million, comparable with 2017 income of £1.22 million.



Despite the continued challenges of a stagnating institutional funding environment, we were delighted to secure our first grant agreement with UNICEF Rwanda (£200k) to deliver the consultation, development and roll out of early identification and detection tools for children who might be at risk of developmental delays or have a disability.

We also delivered the penultimate and final years of three significant programmes in Kenya, Ghana and Uganda, with the support of Comic Relief totalling £354k:

- Kenya: inclusive education for street children with special educational needs.
- Ghana: supporting young street mothers and their children in Accra.
- Uganda: innovative, community-based Justice for Children project.

Two significant changes to our fundraising strategy were implemented in 2018: the first was to cultivate relationships with African philanthropists, which has already given rise to a more promising outlook of multi-year funding. The second was to explore the possibility of attracting social impact investment, as a more flexible and versatile funding source. During the year we worked with social impact experts to develop a business model of our award-winning Right2Change justice programme in Uganda with the objective to gain our first investment in 2019.

In 2018, we maintained good results in committed and individual giving, whilst working hard to ensure we were compliant with the new General Data Protection Regulations. We were thrilled to secure a new corporate partner, the ethical children's clothes company Frugi, which is supporting one of our early childhood development centres in Ghana. Finally, we were delighted by the results of our second online match funding campaign on the Big Give website, which raised an incredible £40k in just 7 days!

We thrive to make fundraising a positive experience for all, whether an individual is an existing donor or a potential new supporter. This is why we voluntarily joined the Fundraising Regulator in December 2018.



Registered with
**FUNDRAISING
REGULATOR**

We continued to deliver excellent donor care to all our supporters, build trust and meet quality standards in all fundraising activities. Throughout the year, we received only eight complaints from donors about our methods of fundraising (e.g. donors wanting to receive only one letter a year) and none via the Fundraising Regulator.

None of the fundraising work we do is undertaken by third parties but we do rely on third party platforms such as Justgiving and the Big Give to enable us to raise funds.

As set out by the Institute of Fundraising, we recognise that every donor is an individual with a unique background, experience and circumstances and every interaction between a fundraiser and donor is different. When dealing with potentially vulnerable people, we follow the principles of respect, fairness, responsiveness and accountability and take all reasonable steps to treat a donor fairly, enabling them to make an informed decision about any donation. If a team member believes that the supporter may lack the capacity to make a decision, the Director of Fundraising and Marketing is consulted (and the CEO for large donations) and a decision not to accept the donation may be taken.

We are so grateful to all our donors for their continued generosity – every donation, no matter the amount, really help ensuring that no child is forgotten.

How supporters can get involved

- Individuals can make a donation, set up a regular gift, support us through payroll giving, or organise a fundraising event in their community or office.
- Major donors, companies and trusts can call us to arrange a meeting to explore how they can make the biggest difference through a bespoke partnership.
- Please consider remembering Chance for Childhood in your will, so you can ensure no child is forgotten for generations to come. Even the smallest legacy can help.

Visit www.chanceforchildhood.org or call us on 01483 230 250 to find out more.

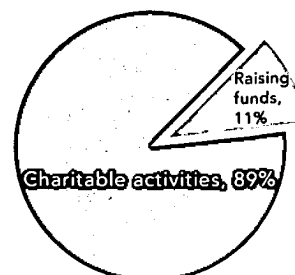
FINANCIAL REVIEW

Income

Income of £1.14 million was comparable to 2017. Reduced income was received from Comic Relief, events and legacies but this was compensated for by an anonymous gift of £134k from a major donor.

Resources expended

In 2018, 89p of every £1 raised went directly to support the most vulnerable children across Africa (88p in 2017).



Reserves policy

We believe that our donors wish their donations to be used for charitable purposes as soon as possible given that the children we help need support urgently. However, it is prudent to maintain reserves to cover variations in income while managing our partner relations, providing investment funds for new programmes, and enabling the charity to grow. During the year the Trustees reviewed our policy and decided to adopt a risk identification approach, which is based on an understanding of the income streams and their risk profile, the degree of commitment to expenditure and the overall risk environment in which we operate.

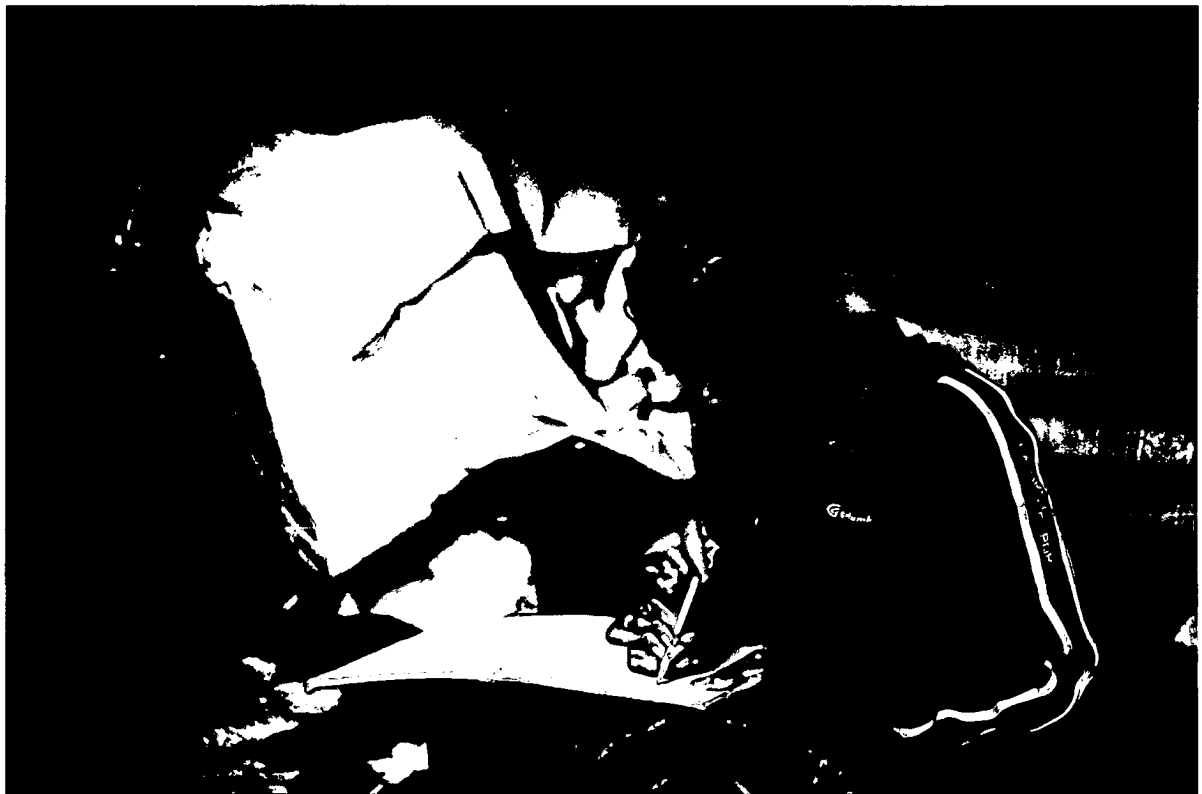
Chance for Childhood's policy is now to seek to maintain an unrestricted reserve of £120,000 while targeting a reserve of £195,000. Unrestricted reserves at 31st December 2018 amounted to £134,557 (2017: £160,896). Restricted reserves committed to specific projects were £202,211 as at 31st December 2018 (2017: £351,422).



PLANS FOR THE FUTURE

In order to achieve our vision of no child forgotten, we must continue to build on our community-based approach, supporting visionary community leaders with innovative solutions to protect, educate and empower children. Critically, we must also look to achieve scale in order to pursue sustainable and long-lasting social change and broaden our impact to those children left behind. To achieve this, we will:

- Build on the success we have seen in Rwanda by offering technical assistance and niche expertise in disability inclusion to existing large-scale international NGOs and governments. This enables us to reach those children who are, or would be, excluded from accessing basic education due to a special learning need or disability on a national scale.
- Continue to test innovative approaches by supporting early stage ventures and social entrepreneurs with blended finance solutions, contributing to our organisational learning about the effectiveness of social impact investment to drive social change.
- Progress our first programme to support vulnerable children and young people being left behind in refugee settlements where their right to basic education is not fulfilled due to the lack of inclusive education strategies.
- Consolidate and strengthen our decentralised programme team to provide effective support to partners and greater accountability and technical expertise through a strong regional presence. We will establish our office base in Kampala, Uganda, and explore opportunities to open Chance for Childhood's first office in Accra, Ghana.



Statement of the Trustees' responsibilities in relation to the financial statements

The Trustees (who are also directors of Chance for Childhood) are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The 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, the incoming resources and the application of resources, including the income and expenditure 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 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 operation.

The Trustees are responsible for keeping 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 Trustees are responsible for the 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 financial statements may differ from legislation in other jurisdictions.


In so far as the Trustees are aware:

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

These accounts have been prepared in accordance with:

- The special provision relating to the small companies within Part 15 of the Companies Act 2006.
- The requirements of the Statement of Recommended Practice, Charities SORP (FRS 102).

Approved by Chance for Childhood's Board of Trustees on and signed on its behalf by


Tony Wellby
Chair of the Trustees
2 May 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHANCE FOR CHILDHOOD

Opinion

We have audited the financial statements of Chance for Childhood for the year ended 31 December 2018 which comprise the consolidated statement of financial activities, 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 charitable company's affairs as at 31 December 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.
- 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 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 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 Trustees' annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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 for 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 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, 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' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

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 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 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 Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

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.

Jonathan Orchard (Senior statutory auditor)

14 May 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities (including an Income and Expenditure account)

	Note	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
Income from:					
Donations and legacies	4	295,781	839,348	1,135,129	1,216,874
Income from investments	4	692	164	856	573
Total income		296,473	839,512	1,135,985	1,217,447
Expenditure on:					
Total raising funds	6	114,879	32,863	147,742	153,708
DRC		12,001	52,576	64,577	88,110
Ghana		36,372	210,986	247,358	206,122
Kenya		43,532	245,378	288,910	246,606
Mozambique		11,340	56,940	68,280	43,471
Rwanda		56,375	154,006	210,381	218,987
Uganda		42,885	224,020	266,905	313,300
Zambia		3,112	16,419	19,531	47,527
Total charitable activities	6	205,617	960,325	1,165,942	1,164,123
Total expenditure		320,496	993,188	1,313,684	1,317,831
Net expenditure		(24,023)	(153,676)	(177,699)	(100,384)
Transfers between funds	18	(4,465)	4,465	-	-
Exchange gains on regional office activities		2,149	-	2,149	-
Net movement in funds		(26,339)	(149,211)	(175,550)	(100,384)
Reconciliation of funds					
Total funds brought forward	18	160,896	351,422	512,318	612,702
Total funds carried forward	18	134,557	202,211	336,768	512,318

The charity has no recognised gains or losses other than those dealt with in the Statement of Financial Activities. All the above results are derived from continuing activities.

Balance Sheet as at 31st December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	3,548	1,120
Current assets			
Debtors	13	75,716	48,979
Cash at bank and in hand		361,187	590,635
Total current assets		436,903	639,614
Liabilities			
Creditors: amounts falling due within one year	14	(103,683)	(128,416)
Net current assets		333,220	511,198
Total assets less current liabilities		336,768	512,318
Creditors: amounts falling due after more than one year		-	-
Total net assets		336,768	512,318
The funds of the charity			
Restricted funds	17	202,211	351,422
Unrestricted funds	17	134,557	160,896
Total charity funds		336,768	512,318

Approved by the Board of Directors and signed on its behalf by



Tony Wellby (Chair of the Trustees)
2 May 2019

Chance for Childhood, registered charity in England & Wales no. 1013587, registered company in England & Wales no. 2735643

Statement of Cash Flows

	2018 Total Funds £	2017 Total Funds £
Cash flows from operating activities:		
<i>Net movement in funds</i>	(177,699)	(100,384)
Adjustments for:		
Depreciation charge	1,417	1,682
Interest received	(856)	(573)
(Increase) / decrease in debtors	(26,737)	38,679
Decrease in creditors	(24,733)	(60,928)
Net cash used in operating activities	<u>(228,608)</u>	<u>(121,524)</u>
 Cash flows from investing activities:		
Interest received	856	573
Purchase of fixed assets	(3,845)	(743)
Net cash used in investing activities	<u>(2,989)</u>	<u>(170)</u>
 Change in cash and cash equivalents in the year	(231,597)	(121,694)
Cash and cash equivalents at beginning of the year	590,635	712,329
Change in cash and cash equivalents due to exchange rate movements	2,149	-
Cash and cash equivalents at end of the year	<u>361,187</u>	<u>590,635</u>
 Analysis of cash and cash equivalents at end of the year		
Current accounts	361,187	590,635
Notice deposits (less than 3 months)	-	-
	<u>361,187</u>	<u>590,635</u>

Notes to the accounts

1. Legal status

Chance for Childhood is a company limited by guarantee and has no share capital. In the event of the company being wound up, the liability of each member shall not exceed £1. The members of the company are the Trustees named on page 2.

2. Accounting policies

Basis of accounting

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

Public benefit

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

Preparation of the accounts on a going concern basis

The Trustees are of the view that the cash reserves of the charity together with committed and expected income will enable the charity to meet its obligations for the next 12 to 18 months and that on this basis the assessment of the Trustees is that the charity is a going concern.

Income

Income is recognised in the period in which the charity is entitled to receipt once it is probable that it will be received and the amount can be measured with sufficient reliability. Income is deferred only where the donor has imposed restrictions on the resources which amount to pre-conditions for use.

Specific legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted, provided that sufficient information has been received to enable valuation of the charity's entitlement.

Donations of goods and services ('Donations in kind') for the charity's own use or for distribution to beneficiaries are recognised as income at market value when receivable and as an expense when the goods or services are used or provided to beneficiaries. Donations in kind provided for use in events (e.g. auction prizes) are recognised at the amount realised for their sale. In accordance with the Charities SORP (FRS 102), the general volunteer time given to the charity is not recognised and the Trustees' Annual Report gives more information about their contribution.

Expenditure

Expenditure is included in the Statement of Financial Activities (SoFA) on an accruals basis and is recognised at the point when a legal or constructive obligation arises, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

VAT

The charity is not registered for VAT and cannot therefore recover VAT on costs incurred. Expenditure is therefore shown gross of any relevant VAT in these financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or raised by the charity for particular purposes. Transfers between funds are made when agreed with the donor of the funds. The cost of raising and managing such funds is charged against the specific fund when permitted by the donor's restrictions. The aim and use of each restricted fund are set out in the notes to the financial statements.

Allocation of costs

Costs directly attributable to specific activities are allocated to the relevant activity. Personnel costs which cannot be wholly attributed to a specific activity are allocated to individual activities and to the cost of the general support of the charity and its governance on a basis consistent with the time spent on each activity. Support and governance costs, including any allocated personnel costs, are in turn allocated to specific activities on a basis which reflects the overall use of resources.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities themselves. Support costs include back office costs, finance, personnel, payroll and governance costs. Governance costs comprise the costs associated with the governance arrangements of the charity and include audit fees, legal advice (if any) for Trustees and costs associated with constitutional and statutory requirements.

Foreign currency

Transactions in foreign currency are converted at the rates prevailing at the date of the transactions. 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 the net movement in funds for the year.

Tangible fixed assets

All assets costing more than £500 are capitalised. Fixed assets are stated at cost and depreciation is provided at 33.3%pa on a straight line basis calculated to write off the cost of each asset over its expected useful life.

Debtors

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

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.

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 due.

3. Detailed comparatives for the Statement of Financial Activities

		Unrestricted Funds	Restricted Funds	2017 Total Funds
	Note	£	£	£
Income from:				
Donations and legacies	4	294,529	922,345	1,216,874
Income from investments	4	573	-	573
Total income		295,102	922,345	1,217,447
Expenditure on:				
Total raising funds	6	127,498	26,210	153,708
DRC		31,596	56,514	88,110
Ghana		15,197	190,925	206,122
Kenya		20,056	226,550	246,606
Mozambique		3,727	39,744	43,471
Rwanda		42,199	176,788	218,987
Uganda		29,641	283,659	313,300
Zambia		4,037	43,490	47,527
Total charitable activities	6	146,453	1,017,670	1,164,123
Total expenditure		273,951	1,043,880	1,317,831
Net income/(expenditure)		21,151	(121,535)	(100,384)
Transfers between funds	18	(112)	112	-
Net movement in funds		21,039	(121,423)	(100,384)
Reconciliation of funds				
Total funds brought forward	18	139,857	472,845	612,702
Total funds carried forward	18	160,896	351,422	512,318

4. Income

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Donations and legacies						
Grants	32,418	555,873	588,291	29,590	738,930	768,520
Donations & appeals	107,597	176,565	284,162	63,510	54,245	117,755
Committed giving	122,045	88,900	210,945	121,756	104,110	225,866
Event fundraising	13,194	14,606	27,800	53,954	20,005	73,959
Legacies	7,795	-	7,795	22,980	5,055	28,035
Donations in kind (note 5)	12,732	3,404	16,136	2,739	-	2,739
	<u>295,781</u>	<u>839,348</u>	<u>1,135,129</u>	<u>294,529</u>	<u>922,345</u>	<u>1,216,874</u>
Income from investments						
Interest receivable	692	164	856	573	-	573
	<u>296,473</u>	<u>839,512</u>	<u>1,135,985</u>	<u>295,102</u>	<u>922,345</u>	<u>1,217,447</u>

5. Donations in kind

During 2018 the charitable company received professional advice and marketing support from various organisations on a "pro-bono" basis.

6. Expenditure

	Activities delivered through grants (note 8) £	Activities delivered directly		Allocation of programme support costs (note 7) £	Allocation of management & admin costs (note 7) £	2018 Total £	2017 Total £
		Staff costs (note 9) £	Other direct costs £				
Raising funds	-	88,913	26,934	-	31,895	147,742	153,708
Charitable activities							
DRC	46,834	9,320	1,017	2,134	5,272	64,577	88,110
Ghana	146,651	49,864	18,108	14,582	18,153	247,358	206,122
Kenya	158,011	64,398	34,452	10,844	21,205	288,910	246,606
Mozambique	51,402	10,144	-	995	5,739	68,280	43,471
Rwanda	91,647	33,386	59,123	9,613	16,612	210,381	218,987
Uganda	141,754	69,149	12,638	26,353	17,011	266,905	313,300
Zambia	14,108	2,784	-	1,064	1,575	19,531	47,527
	650,407	239,045	125,338	65,585	85,567	1,165,942	1,164,123
Support costs	-	59,139	123,908	(65,585)	(117,462)	-	-
Total expenditure	650,407	387,097	276,180	-	-	1,313,684	1,317,831

Detailed comparatives for 2017

	Activities delivered through grants (note 8) £	Activities delivered directly		Allocation of programme support costs (note 7) £	Allocation of management & admin costs (note 7) £	2017 Total £
		Staff costs (note 9) £	Other direct costs £			
Raising funds	-	87,257	24,880	-	41,571	153,708
Charitable Activities						
DRC	72,996	4,258	-	2,513	8,343	88,110
Ghana	126,544	57,173	4,758	2,680	14,967	206,122
Kenya	130,634	65,500	29,239	2,947	18,286	246,606
Mozambique	32,196	6,145	-	1,461	3,669	43,471
Rwanda	162,174	18,421	13,059	5,275	20,058	218,987
Uganda	228,307	43,468	8,169	6,355	27,001	313,300
Zambia	34,877	6,656	-	2,020	3,974	47,527
	787,728	201,621	55,225	23,251	96,298	1,164,123
Support costs	-	69,687	91,433	(23,251)	(137,869)	-
Total expenditure	787,728	358,565	171,538	-	-	1,317,831

7. Support costs

	2018 £	2017 £
Programme support costs		
Monitoring, evaluation & learning	55,591	23,251
Regional office support costs	3,158	-
Donations in kind (pro-bono professional services)	6,836	-
	<u>65,585</u>	<u>23,251</u>
Management & administration costs		
Support staff time	46,753	53,768
UK office support costs	44,072	54,694
Governance (including staff time)	26,637	29,407
	<u>117,462</u>	<u>137,869</u>
Total support costs	<u>183,047</u>	<u>161,120</u>
Unrestricted	126,640	108,039
Restricted	56,407	53,081
	<u>183,047</u>	<u>161,120</u>

Governance costs include £9,276 fees in respect of the audit of these financial statements (2017: £9,000).

8. Grants to partner organisations to run our programmes

	2018 £	2017 £
Democratic Republic of Congo		
Children's Voice	27,392	60,369
PEDER	19,442	12,627
Ghana		
Street Girls' Aid	146,651	126,544
Kenya		
KUAP	115,051	87,378
Yellow House Children's Services	42,960	43,256
Mozambique		
Meninos de Moçambique	51,402	32,196
Rwanda		
Empowering Children with Disabilities	80,858	161,477
Strive Foundation Rwanda	10,789	697
Uganda		
Passion for Community	141,754	228,307
Zambia		
Children's Transformation Trust	11,657	23,266
Team Hope	2,451	11,611
Total grants	<u>650,407</u>	<u>787,728</u>

9. Staff costs

	Unrestricted Funds	Restricted Funds	2018 Total Funds	Unrestricted Funds	Restricted Funds	2017 Total Funds
	£	£	£	£	£	£
Salaries	162,647	170,968	333,616	120,085	138,588	258,673
Employer's social security costs	13,871	14,581	28,452	11,067	12,773	23,840
Employer's pension contributions to defined contribution pension schemes	6,520	6,853	13,373	3,672	4,236	7,908
Consultancy costs	1,832	-	1,832	11,455	48,200	59,655
Recruitment costs	2,632	225	2,857	2,380	-	2,380
Travel, training and other employment costs	5,977	991	6,968	6,055	54	6,109
	<u>193,479</u>	<u>193,618</u>	<u>387,097</u>	<u>154,714</u>	<u>203,851</u>	<u>358,565</u>

The average head count in the year was 11 staff (2017: 9 staff) and the average number of full-time equivalent employees analysed by function was:

	2018	2017
Raising funds	2.4	2.0
Charitable activities	5.9	4.2
Support	1.5	2.0
	<u>9.8</u>	<u>8.2</u>

There were no employees with total employee benefits above £60,000 in this or the preceding year. The Senior Management Team received £149,608 in emoluments (2017: £148,626).

10. Taxation

Chance for Childhood is a registered charity and all of its activities fall within the exemptions afforded to charities under charities legislation. No charge to taxation therefore arises.

11. Related party transactions

No remuneration or travel and subsistence expenses were paid to Trustees in either period. There were no transactions in either period with Trustees that require disclosure.

A total of £15,636 (2017: £16,613) was donated by Trustees and Senior Management Team and their close families.

12. Tangible assets

	Computer & office equipment		
	Unrestricted Funds	Restricted Funds	2018 Total Funds
Cost	£	£	£
At beginning of year	10,416	16,132	26,548
Additions	715	3,130	3,845
Retirements	(2,269)	-	(2,269)
At end of year	8,862	19,262	28,124
Depreciation			
At beginning of year	10,416	15,012	25,428
Charge for year	79	1,338	1,417
On retirements	(2,269)	-	(2,269)
At end of year	8,226	16,350	24,576
Net book value at end of year	636	2,912	3,548
Net book value at beginning of year	-	1,120	1,120

All of the above assets are used for charitable purposes.

13. Debtors

	Unrestricted Funds	Restricted Funds	2018 Total Funds	2017 Total Funds
	£	£	£	£
Due in one year				
Prepayments and accrued income	38,241	35,875	74,116	47,379
Rent deposit	1,600	-	1,600	-
	39,841	35,875	75,716	47,379
Due in more than one year				
Rent deposit	-	-	-	1,600
	-	-	-	1,600
	39,841	35,875	75,716	48,979

14. Creditors: amounts falling due within one year

	Unrestricted Funds	Restricted Funds	2018 Total Funds	2017 Total Funds
	£	£	£	£
Trade creditors	541	14,943	15,484	8,260
Taxation and social security	6,633	446	7,079	6,003
Accruals	16,221	81	16,302	19,617
Deferred income (note 15)	-	64,818	64,818	94,536
	23,395	80,288	103,683	128,416

15. Deferred income

	2018 Total Funds £	2017 Total Funds £
Balance at beginning of year	94,536	150,088
Amount released to income in the year	(94,536)	(150,088)
Amount deferred in the year	64,818	94,536
Balance at end of year	<u>64,818</u>	<u>94,536</u>

Deferred income comprises restricted grants received in the year which can only be utilised in future periods.

16. Operating leases and lease commitments

Resources expended include payments under operating leases as follows:	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
Property	22,176	-	22,176	22,176
Equipment	221	-	221	331
	<u>22,397</u>	<u>-</u>	<u>22,397</u>	<u>22,507</u>

Total future minimum lease payments under non-cancellable operating leases:

	Property 2018 £	Property 2017 £	Equipment 2018 £	Equipment 2017 £
Total payments due:				
Within one year	18,927	22,176	-	248
Between two to five years	-	16,951	-	-
After five years	-	-	-	-
	<u>18,927</u>	<u>39,127</u>	<u>-</u>	<u>248</u>

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Tangible fixed assets	636	2,912	3,548	-	1,120	1,120
Current assets	157,316	279,587	436,903	187,487	452,127	639,614
Current liabilities	(23,395)	(80,288)	(103,683)	(26,591)	(101,825)	(128,416)
	<u>134,557</u>	<u>202,211</u>	<u>336,768</u>	<u>160,896</u>	<u>351,422</u>	<u>512,318</u>

18. Analysis of net movement in funds

	Balance at 1/1/2018 £	Income £	Expenditure £	Transfers £	Funds at 31/12/2018 £
Unrestricted funds	160,896	296,473	(318,347)	(4,465)	134,557
Restricted funds					
Democratic Republic of Congo	27,932	22,504	(44,933)	-	5,503
Ghana - House of Refuge construction	-	125,198	(65,185)	-	60,013
Ghana - Other projects	65,747	85,901	(126,685)	-	24,963
Kenya - LEAP	52,446	173,713	(213,152)	-	13,007
Kenya - Other projects	11,000	1,990	(9,757)	-	3,233
Mozambique	5,455	18,080	(25,404)	1,869	-
Rwanda - Inclusive early childhood development	6,330	58,906	(54,657)	-	10,579
Rwanda - Nyabihu School construction	14,010	19,219	(46,988)	14,519	760
Rwanda - Other projects	7,445	30,737	(34,742)	4,250	7,690
Uganda - Right2Change	5,919	183,360	(182,148)	-	7,131
Uganda - Other projects	9,742	21,695	(24,332)	-	7,105
Zambia	11,479	5,288	(14,899)	(1,868)	-
Team Abana	81,190	5	(6,703)	(14,519)	59,973
Unrestricted reserves of Street Child Africa	48,770	91,102	(139,872)	-	-
Other funds	3,957	1,814	(3,731)	214	2,254
	351,422	839,512	(993,188)	4,465	202,211
Total funds	512,318	1,135,985	(1,311,535)	-	336,768

Material restricted funds are as follows:

DRC: running costs of the Kibati school and vocational training for street young people.

Ghana - House of Refuge construction: rebuilding of a new refuge centre.

Ghana - Other projects: early childhood development projects, providing childhood care and education centres, literacy classes and skills training courses.

Kenya - LEAP: giving street children with special education needs access to an education.

Kenya - Other projects: projects supporting street children.

Mozambique: providing vocational skills and business training to street young people.

Rwanda - Inclusive early childhood development: inclusive education and disability awareness 'training of trainers' to the staff of Early Childhood Development organisations.

Rwanda - Nyabihu School construction project: construction of a new school.

Rwanda - Other projects: activities covering communication camps, running costs of the Nyabihu School and teacher training.

Uganda - Right2Change: Justice for Children project.

Uganda - Other projects: activities covering agri-business training, and support to child-headed households.

Zambia: Supporting the work with street children.

Team Abana: for the support of vulnerable children across Africa and the Challenge Fund.

Other funds: small funds to be spent in the UK office and across Africa.

Unrestricted reserves of Street Child Africa: unrestricted reserves generated by donations from donors under the objects of the subsidiary Street Child Africa.

18. Analysis of net movement in funds (continued)

Previous year	Balance at 1/1/2017 £	Income £	Expenditure £	Transfers £	Funds at 31/12/2017 £
Unrestricted funds	139,857	295,102	(273,951)	(112)	160,896
Restricted funds					
Democratic Republic of Congo	1,161	77,677	(51,020)	114	27,932
Ghana	71,227	147,607	(153,087)	-	65,747
Kenya - LEAP	25,273	200,267	(173,094)	-	52,446
Kenya - Other projects	2,727	18,361	(10,088)	-	11,000
Mozambique	4,132	19,152	(17,829)	-	5,455
Rwanda - Inclusive early childhood development	-	8,658	(2,328)	-	6,330
Rwanda - Nyabihu School construction	177	26,310	(90,541)	78,064	14,010
Rwanda - Other projects	30,366	53,619	(76,789)	249	7,445
Uganda - Right2Change	26,905	191,624	(212,610)	-	5,919
Uganda - Other projects	39,034	31,944	(61,416)	180	9,742
Zambia	19,996	9,002	(25,426)	7,907	11,479
Team Abana	156,084	3,170	-	(78,064)	81,190
Unrestricted reserves of Street Child Africa	87,664	120,559	(159,453)	-	48,770
Other funds	8,099	14,395	(10,199)	(8,338)	3,957
	472,845	922,345	(1,043,880)	112	351,422
Total funds	612,702	1,217,447	(1,317,831)	-	512,318

PARTNERS AND NETWORKS

Thank you so much to all the following organisations for making our work possible!

Bond
British Foreign School Society
CABI (Centre for Agriculture and Biosciences International)
Children's Transformation Trust
Children's Voice
Comic Relief
Communicability Global
Consortium of Street Children
DeafKidz International
Empowering Children with Disability
Huddersfield Law Society
KATI
Keeping Children Safe
KUAP
Manchester Metropolitan University
Meninos de Moçambique
MindLeaps
Ministry of Gender and Family Promotion (MIGEPROF), Rwanda
Ministry of Local Government (MINALOC), Rwanda
Passion 4 Community
PEDER (Programme d'Encadrement Des Enfants de la Rue)
Rwanda Education NGO Coordination Platform
Rwanda National Union of the Deaf
Street Girls Aid
Strive Foundation Rwanda
Team Hope Network
TrustLaw
Uganda Law Society
UNICEF Rwanda
Yellow House Health and Outreach

