

Company Number: 2652481

**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)**

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2023

Charity Number : 1006753

**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)**

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**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION**

**Directors, Trustees and
Council of Management**

Ms S Gibson
The Reverend Canon M J Lane
Miss Paula Wright

During the year the following officer retired by rotation and
was re-elected -
Ms S Gibson

Charity Name

Friends of Children in Romania

Charity Registration Number

1006753

Company Registration Number

2652481

Registered Office

The Vicarage
Bosham Lane
Bosham
Chichester
PO18 8HX

Independent Examiner

Mrs Charlotte Pexton
5 Tuffs Hard
Bosham Hoe
Bosham
PO18 8ET

The day to day running of the project is delegated to a Manager in Romania, Mrs Beatrix Grigoras

Bankers

The Co-operative Bank
P.O.Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)
COUNCIL OF MANAGERMENTS REPORT**

The Council of Management present their report and the accounts for the year ended 31 October 2023.

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) (2019).

Structure, Governance and Management

The company is a registered charity, limited by guarantee. New directors are suggested by the Council of Management members. Their suitability is considered by the Council and then appointed. Any briefing of future directors is the responsibility of Council members.

Risk Management Statement

The directors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate any exposure to the major risks.

Principal Activities and Objectives

The charity applies income arising from donations for the charitable purposes of relieving poverty and sickness, advancing education and preserving health among children and adults of Romania. During the year the charity continued to fund the children's homes and lives. The directors confirm that they have had due regard to the Charity Commission's guidance on public benefit and are satisfied that their aims and achievements stated below meet these requirements.

Achievements and Performance

Paula Wright has continued to undertake the work of book-keeping for the charity and we are grateful for her work in this regard.

The homes in Harja continue to be safe happy places where the children are able to thrive. Martin Lane is in regular contact with the Project Manager in Romania, Betty Grigoras, and receives regular updates on the wellbeing and progress of the children which is shared with council members. During the year the older children went on a summer camp and the younger children enjoyed a week camping with the Project Social Assistant. The children also took an active part in hosting the village Pie Festival. Sarah Gibson and Martin Lane visited the project during the year. The houses and vehicles have been maintained throughout the year and Betty Grigoras continues to provide excellent leadership, supported by a committed staff team. It is expected that during the next financial year a new vehicle will need to be purchased as the minibus is proving expensive to maintain as it is 15 years old. It is hoped that funding will be obtained to help with this expenditure, otherwise reserves will be used, in accordance with the reserves policy. The trustees are seeking to appoint a new trustee to the board to focus on fundraising.

**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)**

**COUNCIL OF MANAGERMENTS REPORT
(CONTINUED)**

Financial Review

Global instability, particularly the war in Ukraine, continues to impact the charity's ability to generate new streams of income in order to support its ongoing aims and objectives. However, donations did increase but did not quite cover the increased costs, consequently some of the reserve funds were used to support the charity's running costs. The net expenditure for the current year was £(18,692). This financial intervention is in accordance with our reserves policy.

It is hoped that the next financial year will be stronger, although global market uncertainty and the ongoing cost of living crisis will no doubt affect the chances of attracting more income. Increased funding streams in Romania are also being explored. The charity will need to draw on its reserves in the short term in order to maintain its day to day objectives.

Reserves Policy

The reserve fund represents the unrestricted funds arising from past operating results. The charity retains the general reserve in order to provide sufficient resources to enable the charity to continue to fund its activities. The level of reserves is monitored and reviewed by the directors each year.

Council of Management

The council members who served during the year are detailed on page 1. In accordance with the Articles of Association the member of the council retiring by rotation is Ms S Gibson, who being eligible, offers herself for re-election.

The council members of the charitable company are its Directors and Trustees for the purpose of Company and Charity Law.

Plans for Future Periods

The Council of Management is determined to ensure that the children in our care continue to receive the love and support akin to a normal family setting.

The Council continues to explore further funding streams to meet its objectives and day to day operational costs.

**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)**

**COUNCIL OF MANagements REPORT
(CONTINUED)**

Statement of the Directors' Responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair state of affairs of the charitable company and the net income or expenditure of the charitable company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume the charity will continue in business,

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with Companies Act 2006. The directors are also responsible for safeguarding the assets of the charity and hence for taking the reasonable steps for the detection of fraud and other irregularities.

This report has been prepared in accordance with the Charities SORP (FRS 102) and in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Approved by the Council of Management and signed on its behalf on *21st June* 2024



The Revd Canon M J Lane
Director, Trustee and Council Member

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

**ON THE UNAUDITED FINANCIAL STATEMENTS OF
FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)**

I report on the accounts of the Friends of Children in Romania for the year ended 31 October 2023 which are set out on pages 6 to 9.

Respective Responsibilities of Trustees and Examiner

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 

Mrs Charlotte Pexton
5 Tuffs Hard, Bosham Hoe, Bosham PO18 8ET

Date: 

**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2023**

	2023		2022
	Unrestricted		Unrestricted
	Funds		Funds
£	£	£	£
Income from:-			
Donations and legacies	130,768		119,062
Investment income - Accumulation units	1,859		2,166
- Interest received	1,731		2,436
Total	134,358		123,664
 Expenditure on:-			
Raising funds	-		-
Charitable activities			
House running costs	140,050	124,323	
Team Costs	13,000	11,400	
Bank charges	-	3	
Total	153,050	135,726	
 Net expenditure	(18,692)		(12,062)
 Net gains/(losses) on investments	2,693		(22,799)
 Net movement in funds	(15,999)		(34,861)
 Reconciliation of funds			
Total funds brought forward	164,930		199,791
Total funds carried forward	148,931		164,930

**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)**

BALANCE SHEET AS AT 31 OCTOBER 2023

	Notes	2023 £	2022 £
Current assets			
Cash at bank and in hand		617	21,168
Investments	2	148,314	143,762
Total current assets		148,931	164,930
Liabilities			
Creditors amounts falling due within one year		-	-
Net assets		148,931	164,930
The funds of the charity			
Unrestricted funds		148,931	164,930

For the year ending 31 October 2023 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Council of Management and signed on its behalf on 21st June 2024



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Revd. Canon M J Lane
Director, Trustee and Council Member

**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

1) **Accounting policies**

(a) **Basis of accounting**

The financial statements have been prepared under the historical cost convention as modified to include investments at valuation, and in accordance with the second edition of the Charities: Statement of Recommended Practice (issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Friends of Children in Romania meets the definition of a public benefit entity under FRS 102

(b) **Going concern**

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

(c) **Income and expenditure**

Income

All of the income relates to the principal activity and is therefore deemed to be unrestricted. Income is recognised when the charity has entitlement to funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Legacies are recognised when the charity is advised by the personal representatives of an estate that probate has been granted, that payment is probable and the amount can be quantified with reasonable certainty.

Expenditure

Expenditure is recognised once 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 measure reliably. Expenditure includes irrecoverable VAT. Where possible expenditure has been charged direct to charitable expenditure. Where this is not possible the expenditure has been allocated on the basis time spent by staff on each activity. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and have been charged to charitable expenditure.

**FRIENDS OF CHILDREN IN ROMANIA
(LIMITED BY GUARANTEE)
(ANNUAL REPORT AND FINANCIAL STATEMENTS)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2023
(CONTINUED)**

1) **Accounting policies (continued)**

(d) **Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Asset Category	Annual rate
Plant & Equipment	25%

2) **Investments**

	2023	2022
	£	£
Market value at 31 October 2022	143,762	199,395
Add: Dividends on accumulation fund units	1,859	2,166
Purchased, at cost	-	-
Less sales proceeds	-	(35,000)
Gain/(loss) in year	2,693	(22,799)
Market value at 31 October 2023	<u>148,314</u>	<u>143,762</u>
Historical cost at 31 October 2023	<u>137,140</u>	<u>137,140</u>
The breakdown of the portfolio is as follows:		
Charities Aid Foundation - Fixed Interest Fund B Income	56,451	58,990
UK Equity Fund B Accumulation	91,590	84,568
Santander - Ordinary Shares	273	204
	<u>148,314</u>	<u>143,762</u>

3) **Trustee expenses and remuneration**

None of the council members received remuneration or reimbursed expenses for their services during the period.

4) **Legal status**

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