

REGISTERED COMPANY NUMBER: SC351218 (Scotland)
REGISTERED CHARITY NUMBER: SC039383

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
CHILDREN IN DISTRESS**

Fortus Audit LLP
Chartered Accountants & Statutory Auditors
5&6 Manor Court
Manor Garth
Scarborough
North Yorkshire
YO11 3TU

CHILDREN IN DISTRESS

**CONTENTS OF THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2023**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 7
Report of the Independent Auditors	8 to 10
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the Cash Flow Statement	14
Notes to the Financial Statements	15 to 23
Detailed Statement of Financial Activities	24 to 25

CHILDREN IN DISTRESS

**REFERENCE AND ADMINISTRATIVE DETAILS
For The Year Ended 31 December 2023**

TRUSTEES	Mr I A Catley (resigned 26.7.24) Ms D L Comsa Mr S D Errington Reverend J B Hum Ms A N Martin Ms M C Mitu Mr C J Paris (appointed 26.7.24)
REGISTERED OFFICE	Suite 31 Ladywell Business Centre 94 Duke Street Glasgow G4 0UW
REGISTERED COMPANY NUMBER	SC351218 (Scotland)
REGISTERED CHARITY NUMBER	SC039383
AUDITORS	Fortus Audit LLP Chartered Accountants & Statutory Auditors 5&6 Manor Court Manor Garth Scarborough North Yorkshire YO11 3TU
BANKERS	Royal Bank of Scotland City Branch 10 Gordon Street Glasgow G1 3PL
SOLICITORS	Brechin Tyndal Oatts 48 St Vincent Street Glasgow G25 5HS

CHILDREN IN DISTRESS
REPORT OF THE TRUSTEES
For The Year Ended 31 December 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report, which incorporates the Directors report and strategic report, with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provision of 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 (FRS102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Vision, Mission, Aim, Structure and Partners

Our Vision "To cure, sometimes; To help, often; To comfort always".

Purpose: Our work in Romania has grown over the last 34 years. Our initial focus of caring for children with HIV/AIDS has evolved into provision of respite, palliative, and end-of-life care, and we have developed some of the best-trained and most experienced paediatric nurses in Romania.

Until 2022, our flagship centre, St Margaret's Hospice has provided specialist care to infants and children with a range of complex neurological needs, physical disabilities, and those who need a little extra support to overcome discrimination, disadvantage, and an opportunity to change their future.

The good work has evolved and continues in a new family and community style environment. We opened Casa Maria, our new Children's Family House in Romania that provides care for children living with the most severe disabilities. It builds on the legacy of our flagship St Margaret's Hospice and Children's Centre.

Aim: To raise funds in the UK to help the most vulnerable children in Romania and provide specialist hospice care, educational community outreach and respite care for children, their families, and carers in Romania through our sister charity Copii in Dificultate.

Structure. Children in Distress is a UK charity registered with the Scottish Charity Regulator, with a registered office in Glasgow and a commercial trading arm, which operates three charity thrift shops in County Durham, Cleveland and North Yorkshire. A loyal, enterprising and vibrant volunteer and donor network underpins and makes possible the charity's mission of care. We work through and together with our sister and partner organisations in Romania. Our ongoing objective is to empower these organisations to self-sufficiency as soon as is practicable.

Children in Distress in-Country Partners

Romania - Copii in Dificultate.
St Christopher's - Curtea de Arges
Arges Community Projects

Public benefit

Children in Distress serves the children of Romania. The Charity works with volunteers and supporting partner organisations that provide financial and pro bono support, as well as advice and guidance in best practice in hospice care, free at the point of delivery, and child development and educational and welfare opportunities for those who need them.

Children and families are accepted based on need and residential proximity and specific need, not on race, religion or ability to pay.

The expertise provided by professionals and education provided to professionals in education, medicine, the disciplines allied to medicine and social welfare, is subsidised where possible.

CHILDREN IN DISTRESS

REPORT OF THE TRUSTEES For The Year Ended 31 December 2023

STRATEGIC REPORT

Achievement and performance

Charitable activities

Key Projects

Casa Maria

To provide family environment with specialist care for children with complex needs

" A home for 12 children a safe, home with specialist care opened.

" Continued therapies to help children with mobility, nutritional needs and education.

" A centre of specialist best practice in care for children with complex disabilities.

Community Education

A community-based project providing support for children from disadvantaged communities, extra tuition, extracurricular education and support to remain in school.

" Programme established with local authorities.

" Free of charge space provided by local authorities. Volunteers recruited.

" Programme launched in November to support 80 children in 2023.

Zarnesti Pineview Retreat Lodge

Our vision for the future is to create a respite space that will encourage social integration of children and young people of mixed abilities whilst providing rest for the children with complex disabilities, parents and carers.

" Work continues on the process of obtaining preliminary authorisations for construction.

" Obtained a partial approval for the electrical connection. To obtain the final approval, a coexistence study has been commissioned to an authorised company.

CHILDREN IN DISTRESS

REPORT OF THE TRUSTEES For The Year Ended 31 December 2023

STRATEGIC REPORT

Achievement and performance

Fundraising activities

Shoebox Campaign

An annual fundraising activity to provide love in a box to over 5000 children at Christmas.

" 2023 saw the delivery of over 4500 boxes to Romania in time for Christmas.

" Over £9k raised in 2023

Legacies, Substantial Personal & Trust Donations

Legacies and in-memoriam giving have both played a significant role in making the work of the Charity possible over the past few years. The trustees therefore acknowledge the generosity of those who consider the Charity's mission of care to the Children in Romania important and worthy of a legacy, sponsorship or Trust donation. Without these donations, much of the capital building and renovation works which have taken place during this financial year would not have been possible.

We remember with gratitude gifts, trust donations, legacy and in-memoriam giving from and on behalf of:

Major Donors

Monica Grey

Julia Maud Bailes

Victor Clarke

Alethea Rivers

Funds raised in 2023

Total £403k

£143k from regular giving and donations

£166k from Legacies

£29k Gift Aid

Financial review

Financial position

Total income received in the year to 31 December 2023 was £555,286 - (2022 - £580,384) whilst expenditure costs were £483,767 - (2022 - £439,293) This resulted in a surplus of £71,519 (2022 - £141,091)

Closing reserves at the balance sheet date were £368,464, consisting of £368,464 unrestricted funds and £NIL restricted funds.

Reserves policy

The Trustees have adopted a reserves policy, which they consider appropriate to ensure the continued ability of the Charity to meet its objectives. The Charity aims to maintain reserves at a level, which will provide a minimum of 6 months free reserves to cope with contingencies.

Funds

A large proportion of our funding received is sent to our partner charity (Copii in Dificultate) in Romania to meet our aims and objectives. Funds from supporters are recorded against specific categories to recognise why funds were given and the purpose for their use such as sponsor a child, gifts from the heart etc.

CHILDREN IN DISTRESS

REPORT OF THE TRUSTEES For The Year Ended 31 December 2023

STRATEGIC REPORT

Future plans

The current Board was appointed at the 2022 AGM and undertook a full strategic review at that time, focused on investment in structure, people, governance and operations to ensure the wellbeing and sustainability and future direction of the charity. The strategy was built on the evolving environment in Romania and the strategic direction agreed by the Board of Copii in Dificultate in respect of the Romanian foundation.

The UK strategy directly supports and complements that of the Romania foundation. In 2024 Children in Distress UK will focus on growth and development to meet the needs of an ambitious plan set out by the Romanian foundation. The charity celebrates 35 years in 2024 with plans for events in the UK and in Romania to mark this important milestone.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Charity constitution

Charity constitution

The charity is established to promote the care of children and young people in South-Eastern Europe. As a registered charity the Trustees confirm that they pay due regard to the OSCR guidance on public benefit in determining activities.

Recruitment and appointment of new trustees

Trustees are invited to apply giving their background and experience and appointed at the Annual General Meeting or co-opted until the meeting.

Organisational structure

The governing body of the charity is the Board of Trustees, which comprises six members and meet four or five times a year to review strategy and performance together with the Chief Executive or Operations Manager. The Trustees make decisions about policy and delegate executive decisions to the staff of the Charity through the Chief Executive and the staff.

Patron

HRH Princess Maria of Romania

Staff

Tina Connelly, Operations Manager (Senior Manager) - Redundant from 3 November 2023

Julian Dawydiak - Redundant from 3 November 2023

Leslyann Connelly - Hub Manager (Scotland) from 9 October 2023

Lauren Paterson - Hub Manager (Yorkshire) from 9 October 2023

Contracted Staff

Vicky McColgan, Bookkeeper (to Feb 2023)

Karen Taylor, Bookkeeper (from Feb 2023)

Simon Errington, CEO (from June 2023)

Shop Managers

Tracy Russell, Kirkbymoorside

Tracy England, Guisborough

Melanie Morgan, Shildon

CHILDREN IN DISTRESS

REPORT OF THE TRUSTEES For The Year Ended 31 December 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity management

Decision Making

Directors/Trustees

1. The number of Directors/Trustees with which the Company proposes to operate shall be a minimum of 5 and a maximum of 10.
2. Subscribers to the board shall be admitted as members of the Company and all members of the company shall either sign a written consent to become a member or sign the register of members on becoming a member.
3. A member may withdraw at any time from the Company by giving at least seven days' notice to the Company. Membership is not transferable.

Induction and training of new trustees

New Trustees are given a full pack of information on the charity and its Governance Documents.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Fortus Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

CHILDREN IN DISTRESS

**REPORT OF THE TRUSTEES
For The Year Ended 31 December 2023**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 August 2024 and signed on the board's behalf by:



Ms A N Martin - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF CHILDREN IN DISTRESS

Opinion

We have audited the financial statements of Children in Distress (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 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 Auditors' 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF CHILDREN IN DISTRESS

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 Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they consider there was a susceptibility to fraud. We considered the procedures and controls that the charitable company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.


We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
CHILDREN IN DISTRESS**

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Frances Howard (Senior Statutory Auditor)
for and on behalf of Fortus Audit LLP
Chartered Accountants & Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
5&6 Manor Court
Manor Garth
Scarborough
North Yorkshire
YO11 3TU

Date: 2 September 2024

CHILDREN IN DISTRESS

STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2023

		2023 Unrestricted fund £	2022 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	390,199	398,989
Other trading activities	4	161,063	180,980
Investment income	5	4,024	415
Total		<u>555,286</u>	<u>580,384</u>
EXPENDITURE ON			
Raising funds	6	231,349	192,438
Charitable activities	7		
Charitable activities		80,418	76,697
Transfers to Romania		172,000	170,158
Total		<u>483,767</u>	<u>439,293</u>
NET INCOME		71,519	141,091
RECONCILIATION OF FUNDS			
Total funds brought forward		296,945	155,854
TOTAL FUNDS CARRIED FORWARD		<u>368,464</u>	<u>296,945</u>

The notes form part of these financial statements

CHILDREN IN DISTRESS

BALANCE SHEET
31 December 2023

	Notes	2023 Unrestricted fund £	2022 Total funds £
FIXED ASSETS			
Tangible assets	15	7,910	7,856
CURRENT ASSETS			
Debtors	16	13,741	25,454
Cash at bank		375,276	274,851
		<u>389,017</u>	<u>300,305</u>
CREDITORS			
Amounts falling due within one year	17	(28,463)	(11,216)
		<u>360,554</u>	<u>289,089</u>
NET CURRENT ASSETS			
		<u>368,464</u>	<u>296,945</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>368,464</u>	<u>296,945</u>
NET ASSETS			
		<u>368,464</u>	<u>296,945</u>
FUNDS	18		
Unrestricted funds		368,464	296,945
TOTAL FUNDS		<u>368,464</u>	<u>296,945</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 August 2024 and were signed on its behalf by:

Mr S D Errington - Trustee



Ms A N Martin - Trustee



The notes form part of these financial statements

CHILDREN IN DISTRESS
CASH FLOW STATEMENT
For The Year Ended 31 December 2023

Notes	2023 £	2022 £
Cash flows from operating activities		
Cash generated from operations 1	99,602	133,451
Net cash provided by operating activities	<u>99,602</u>	<u>133,451</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,201)	(690)
Interest received	4,024	415
Net cash provided by/(used in) investing activities	<u>823</u>	<u>(275)</u>
Change in cash and cash equivalents in the reporting period	<u>100,425</u>	<u>133,176</u>
Cash and cash equivalents at the beginning of the reporting period	<u>274,851</u>	<u>141,675</u>
Cash and cash equivalents at the end of the reporting period	<u><u>375,276</u></u>	<u><u>274,851</u></u>

The notes form part of these financial statements

CHILDREN IN DISTRESS

**NOTES TO THE CASH FLOW STATEMENT
For The Year Ended 31 December 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	71,519	141,091
Adjustments for:		
Depreciation charges	3,147	7,682
Interest received	(4,024)	(415)
Decrease/(increase) in debtors	11,713	(11,694)
Increase/(decrease) in creditors	17,247	(3,213)
	<u>99,602</u>	<u>133,451</u>
Net cash provided by operations	<u>99,602</u>	<u>133,451</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
Net cash			
Cash at bank	274,851	100,425	375,276
	<u>274,851</u>	<u>100,425</u>	<u>375,276</u>
Total	<u>274,851</u>	<u>100,425</u>	<u>375,276</u>

The notes form part of these financial statements

CHILDREN IN DISTRESS

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 31 December 2023

1. STATUTORY INFORMATION

Children in Distress is a charitable company, limited by guarantee, registered in Scotland. The charitable company's registered number and registered office can be found on the reference and administrative details page of these financial statements.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The financial statements have also been prepared in accordance with the Charities Accounts (Scotland) Regulations Act 2003 and the Charities and Trustee Investment (Scotland) Act 2005.

The charity is a public benefit entity as defined by FRS102.

The accounts are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention. The principle accounting policies adopted are set out below. These policies have been consistently applied to all periods presented.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

For donations and grants to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation or grant and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds expenditure comprises costs incurred by the charity in the delivery of its activities for the benefit of the beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support and governance costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, which support the Charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023**2. ACCOUNTING POLICIES - continued****Grants receivable**

Income from government and other grants, whether 'capital' or 'revenue' are recognised when the charity has unconditional entitlement to the funds, it is probable that the income will be received, the amount can be measured reliably. Unconditional entitlement will be achieved once any conditions attached to the grants have been met, or fulfilment of these conditions is wholly within the control of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Impairment of fixed assets.

At each reporting end date, the charity reviews the carrying amounts of the tangible assets to determine whether there are any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. It is therefore potentially exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied for charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

CHILDREN IN DISTRESS

**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023**

2. ACCOUNTING POLICIES - continued

Going concern

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising are recognised in the statement of financial activities.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	146,663	170,493
Gift aid	29,331	34,336
Legacies	199,205	166,160
Donated services and facilities	15,000	28,000
	<u>390,199</u>	<u>398,989</u>

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Fundraising events	23,515	49,503
Shop income	137,548	131,477
	<u>161,063</u>	<u>180,980</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	4,024	415
	<u>4,024</u>	<u>415</u>

6. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Staff costs	129,756	106,348
Shop rent and rates	25,499	27,689
Shop insurance	2,101	2,226
Shop light and heat	7,285	4,647
Telephone	6,458	5,030
Printing, postage, stationery and appeals	26,494	15,395
Shop repairs and sundries	10,864	2,868
Computer consumables and support	9,643	9,917
Motor expenses	7,077	7,956
Equipment leasing	926	1,352
Hotel and travel expenses	1,481	1,328
Depreciation	3,147	7,682
	<u>230,731</u>	<u>192,438</u>

CHILDREN IN DISTRESS

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

6. RAISING FUNDS - continued

Other trading activities

	2023	2022
	£	£
Purchases	618	-
Aggregate amounts	231,349	192,438

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Grant funding of activities (see note 9)	Support costs (see note 10)	Totals
	£	£	£	£
Charitable activities	15,000	-	65,418	80,418
Transfers to Romania	-	172,000	-	172,000
	15,000	172,000	65,418	252,418

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Transport and warehousing	15,000	28,000

Direct costs in charitable activities related to warehousing provided for the storage of the shoeboxes gathered for the Christmas Shoebox Appeal.

9. GRANTS PAYABLE

	2023	2022
	£	£
Transfers to Romania	172,000	170,158

Transfers to Romania were made to partner institutions.

10. SUPPORT COSTS

	Management	Governance	Totals
	£	£	£
Charitable activities	44,618	20,800	65,418

CHILDREN IN DISTRESS

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

10. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

	2023 Charitable activities £	2022 Total activities £
Trustees' fees and expenses	24,175	963
Rent and rates	10,130	18,274
Insurance	1,743	1,433
Bank charges	6,401	4,682
Sundries	2,169	2,168
Auditors' remuneration	7,200	6,000
Bookkeeping	7,940	-
Accountancy and legal fees	5,660	15,177
	<u>65,418</u>	<u>48,697</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Auditors' remuneration	7,200	6,000
Depreciation - owned assets	3,147	7,682
	<u>10,347</u>	<u>13,682</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

	2023 £	2022 £
Trustees' fees	22,750	-
	<u>22,750</u>	<u>-</u>

Trustees' expenses

	2023 £	2022 £
Trustees' expenses	1,425	963
	<u>1,425</u>	<u>963</u>

Expenses reimbursed for travel costs incurred by Simon Errington.

13. STAFF COSTS

	2023 £	2022 £
Wages and salaries	147,770	103,776
Social security costs	2,603	1,078
Other pension costs	2,133	1,494
	<u>152,506</u>	<u>106,348</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Charitable activities	<u>7</u>	<u>6</u>

CHILDREN IN DISTRESS

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

13. STAFF COSTS - continued

No employees received emoluments in excess of £60,000 in the current year or prior year.

Termination payments were paid during the year totalling £6,762.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	398,989
Other trading activities	180,980
Investment income	415
Total	<u>580,384</u>
EXPENDITURE ON	
Raising funds	192,438
Charitable activities	
Charitable activities	76,697
Transfers to Romania	170,158
Total	<u>439,293</u>
NET INCOME	141,091
RECONCILIATION OF FUNDS	
Total funds brought forward	155,854
TOTAL FUNDS CARRIED FORWARD	<u><u>296,945</u></u>

CHILDREN IN DISTRESS

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

15. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2023	4,000	21,700	55,410	81,110
Additions	-	-	3,201	3,201
Disposals	(4,000)	-	(54,720)	(58,720)
	<u>-</u>	<u>21,700</u>	<u>3,891</u>	<u>25,591</u>
At 31 December 2023	<u>-</u>	<u>21,700</u>	<u>3,891</u>	<u>25,591</u>
DEPRECIATION				
At 1 January 2023	4,000	14,304	54,950	73,254
Charge for year	-	1,849	1,298	3,147
Eliminated on disposal	(4,000)	-	(54,720)	(58,720)
	<u>-</u>	<u>16,153</u>	<u>1,528</u>	<u>17,681</u>
At 31 December 2023	<u>-</u>	<u>16,153</u>	<u>1,528</u>	<u>17,681</u>
NET BOOK VALUE				
At 31 December 2023	<u>-</u>	<u>5,547</u>	<u>2,363</u>	<u>7,910</u>
At 31 December 2022	<u>-</u>	<u>7,396</u>	<u>460</u>	<u>7,856</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other debtors	4,943	15,375
VAT	952	598
Prepayments	7,846	9,481
	<u>13,741</u>	<u>25,454</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	7,776	1,463
Social security and other taxes	1,434	1,007
Other creditors	268	379
Accrued expenses	18,985	8,367
	<u>28,463</u>	<u>11,216</u>

CHILDREN IN DISTRESS

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

18. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	296,945	71,519	368,464
TOTAL FUNDS	<u>296,945</u>	<u>71,519</u>	<u>368,464</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	555,286	(483,767)	71,519
TOTAL FUNDS	<u>555,286</u>	<u>(483,767)</u>	<u>71,519</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	155,854	141,091	296,945
TOTAL FUNDS	<u>155,854</u>	<u>141,091</u>	<u>296,945</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	580,384	(439,293)	141,091
TOTAL FUNDS	<u>580,384</u>	<u>(439,293)</u>	<u>141,091</u>

CHILDREN IN DISTRESS

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	155,854	212,610	368,464
	<u>155,854</u>	<u>212,610</u>	<u>368,464</u>
TOTAL FUNDS	<u>155,854</u>	<u>212,610</u>	<u>368,464</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,135,670	(923,060)	212,610
	<u>1,135,670</u>	<u>(923,060)</u>	<u>212,610</u>
TOTAL FUNDS	<u>1,135,670</u>	<u>(923,060)</u>	<u>212,610</u>

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022 and 31 December 2023.

CHILDREN IN DISTRESS
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	146,663	170,493
Gift aid	29,331	34,336
Legacies	199,205	166,160
Donated services and facilities	15,000	28,000
	<u>390,199</u>	<u>398,989</u>
Other trading activities		
Fundraising events	23,515	49,503
Shop income	137,548	131,477
	<u>161,063</u>	<u>180,980</u>
Investment income		
Deposit account interest	4,024	415
	<u>4,024</u>	<u>415</u>
Total incoming resources	<u>555,286</u>	<u>580,384</u>
EXPENDITURE		
Raising donations and legacies		
Wages	125,020	103,776
Social security	2,603	1,078
Pensions	2,133	1,494
Shop rent and rates	25,499	27,689
Shop insurance	2,101	2,226
Shop light and heat	7,285	4,647
Telephone	6,458	5,030
Printing, postage, stationery and appeals	26,494	15,395
Shop repairs and sundries	10,864	2,868
Computer consumables and support	9,643	9,917
Motor expenses	7,077	7,956
Equipment leasing	926	1,352
Hotel and travel expenses	1,481	1,328
Depreciation of tangible fixed assets	3,147	7,682
	<u>230,731</u>	<u>192,438</u>
Other trading activities		
Shop purchases	618	-
Charitable activities		
Transport and warehousing	15,000	28,000
Grants to institutions	172,000	170,158
	<u>187,000</u>	<u>198,158</u>

This page does not form part of the statutory financial statements

CHILDREN IN DISTRESS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2023**

	2023	2022
	£	£
Support costs		
Management		
Trustees' fees	22,750	-
Trustees' travel expenses	1,425	963
Rent and rates	10,130	18,274
Insurance	1,743	1,433
Bank charges	6,401	4,682
Sundries	2,169	2,168
	44,618	27,520
Governance costs		
Auditors' remuneration	7,200	6,000
Bookkeeping	7,940	-
Accountancy and legal fees	5,660	15,177
	20,800	21,177
Total resources expended	483,767	439,293
Net income	71,519	141,091

This page does not form part of the statutory financial statements