

CHILDREN OF THE ANDES  
(A company limited by Guarantee)

Charity Registration No. 1075037  
Company Registration No. 3731943 (England and Wales)



**CHILDREN OF THE ANDES**  
(A company limited by guarantee)

**DIRECTORS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

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## LEGAL AND ADMINISTRATIVE INFORMATION

### TRUSTEES AND DIRECTORS

- David Maxwell Scott – Chairman till resignation on 31<sup>st</sup> December 2012
- Caroline Moser – Chair from appointment on 1<sup>st</sup> January 2013
- Kate Saunders - Honorary Treasurer
- Christopher Harwood Darton – resigned 11<sup>th</sup> September 2012
- Jeremy Thorp
- Dr Julio Davila
- Mark Lauber
- Andres Gomez De La Torre
- Cathy McIlwaine
- Felipe Alviar Baquero
- Julia Hayes
- (17<sup>th</sup> April 2012 - Geraldine Murphy stepped down as a Trustee and was appointed Honorary Trustee, with observer status)

**EXECUTIVE DIRECTOR & SECRETARY** Rachel Joseph

### REGISTERED OFFICE

Development House  
56-64 Leonard Street  
London  
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### REGISTERED CHARITY NUMBER

1075037

### COMPANY NUMBER

3731943

### AUDITORS

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### BANKERS

National Westminster Bank Plc  
Dorking Branch  
14 High Street  
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Surrey RH4 1AX

Barclays Bank Plc  
Towngate House  
Church Street East  
Woking  
Surrey GU21 1AE

CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent ME19 4JQ

Banco de Occidente  
Calle 5 #34-24,  
Cali  
Colombia

## CHAIRMAN'S STATEMENT

For the year ended 31 December 2012

It is with great pride, and some nostalgia, that I look back on 2012 – my final year as Chairman of Children of the Andes. After several years of healthy growth, despite the down-turn, in 2012 our income fell slightly to £660, 598. Despite this, we were able to work with 9 project partners across Colombia, helping over 22,000 of the country's most vulnerable children and young people realize their rights, access support and transform their lives.

As a response to the ongoing economic challenges, we are taking action to minimise the impact on our work and, more crucially, the work of our partners. We have continued to develop our range of income streams - from our supporter-base of over 4,000 individuals who regularly make personal donations and fundraise on our behalf, to schools, churches, trusts and foundations, corporate partners and Comic Relief. This year we established some new funding relationships: with tennis player Jamie Murray and his Colombian wife, Alejandra, who helped us raise almost £12,000; and with Colombian Royal Ballet star Fernando Montaña who has become our patron and is already working on a major fundraising gala. We have also been working on developing a major application to a new Colombian government fund - APC, *Agencia Presidencial de Cooperación Internacional de Colombia*. We hope that this will bear fruit in the coming year. We have continued to be astonished at the generosity and commitment of our supporters.

Thanks to this commitment our work in Colombia continued to flourish in 2012. There is only space for a few examples here and I do hope you'll read the full programme report on page 5. In Cali, FFF was offered their first government contract to provide leaving care services- a tremendous achievement that follows eight years of tireless work to develop Colombia's first comprehensive support services for care leavers and advocate for government support. In Cartagena, the work of our partner Renacer to prevent the Commercial Sexual Exploitation of Children gained real pace. As well as working directly with at-risk children, families and communities to help them protect themselves against the risks, Renacer established an intensive training programme for teachers and other public sector workers focusing on action they can take to better protect vulnerable children and reduce the risks. In Bogota, our partner AIMY completed the first year of a Comic Relief funded programme to help reunite street involved children with their families. 95% of the children they worked with have remained with their families – a real improvement on the Bogota average of only 66%. Colombian Social Services (ICBF) have been so impressed with this work that they arranged for AIMY to share their work with all the ICBF-funded care institutions in Bogota.

In 2012 we also started working with new partner Corpolatin which operates '106' - Colombia's most-used children's helpline, which is a lifeline for children in distress, experiencing violence or simply in need of a sympathetic ear. With our support Corpolatin was able to provide counselling to nearly 8,000 children and young people and work with over 8,000 more through a COTA-funded schools prevention programme, which raises awareness of their rights and the individuals and institutions that they can turn to for support.

We have also continued to share learning on the work of our partners and research new emerging issues – both in Colombia and the UK. In Colombia, our Field Office helped facilitate several discussion sessions on subjects ranging from the use of Restorative Justice for conflict resolution to best practice on educational inclusion. In the UK, we linked up with UCL and the Oxford Poverty and Human Development Initiative to discuss the use of the multi-dimensional poverty index – customised for the Colombian government – in measuring poverty. And, as part of our ongoing research into issues that are having a widespread impact on vulnerable children, our Director and our Field Officers attended meetings with senior figures at the Ministry of Health and the *Defensoria del Pueblo* to discuss the growing problem of sexual violence against children, which we hope to focus on in the coming year.

During the nine years that I have had the privilege of being chairman of Children of the Andes I have been greatly moved by the generosity of our wide range of supporters. I have also been very impressed by the calibre and dedication of our staff. I know that COTA will go from strength to strength and I look forward to staying in touch.



David Maxwell Scott  
Former Chairman of the Board of Trustees

18 July 2013

## **ANNUAL REPORT OF THE DIRECTORS AND TRUSTEES ("The trustees")**

### **For the year ended 31 December 2012**

The trustees present their report and accounts for the year ended 31<sup>st</sup> December 2012.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting & Reporting by Charities" issued in March 2005.

### **Principal Activities and Aims**

Children of the Andes is a UK registered charity, established in 1991 to support vulnerable children in Colombia. We work with Colombian NGOs to keep children safe, defend children's rights, and strengthen children's organisations in Colombia. COTA is committed to working with the children that need us most and in areas that we feel are neglected by other organisations. Our aim is to enable these children to build a better future for themselves, by supporting partner organisations who truly understand the needs of the children they work with. Currently our work falls into four key areas: Education, Preparing for Adult Life, Supporting Families and Making Communities Safer

As well as providing financial support, COTA provides ongoing accompaniment to its partners, helping them build their capacity, share learning with other organisations working in similar fields and access new and sustainable sources of funding.

COTA operates in a context in which:

- an estimated 33% of the population live below the national poverty line of approximately £2 per day
- because of inequalities in income, health and education, the UN rates Colombia as having one of the lowest levels of human development in South America, above only Bolivia and Guyana (UNDP - IHDI)
- The five-decade long internal armed conflict between illegal armed groups and the state continues to force millions of people from their homes. Current estimates vary between 3.3 million and 5 million. Over half of these extremely vulnerable people are children.

### **Overview of work in 2012**

COTA has worked with nine partner organisations during 2012. Our work over the year is described below, organised by COTA's stated objectives for the year.

### **Objectives for 2012**

#### **Programme Objectives**

#### **Objective 1) To address issues that are having a wide-spread impact on vulnerable children but are relatively neglected**

COTA has continued to support Colombian organisations tackling some of the most pressing but neglected issues that threaten children's rights in Colombia.

##### *Forming Futures Foundation (FFF): Preparing care leavers for independent living*

Ten years ago, through our contact with partner-organisation FFF, COTA identified care leavers as a significantly neglected group of young people in Colombia and the urgent need for action to support them in making a successful transition to independent adulthood. Since 2003, when we began working with FFF, their support for children and young people still in care and for those who have already left, has enabled many hundreds to successfully negotiate the difficulties of life after care.

There is no systematic data available on the welfare of care leavers in Colombia, but FFF recently compared the experiences of FFF beneficiaries with care leavers in the UK, Canada, US and Australia, for whom there is much more data. This comparison showed while only 47% of care leavers had completed secondary education and 51% had secured employment in these countries, for participants in FFF's programme the outcomes were very much better, with 79% of FFF beneficiaries completing secondary education and 90% securing employment.

FFF's objectives are two-fold: first, to be able to continue to develop and expand its own extremely successful programme for supporting care leavers. In 2012, despite some short-term funding shortfalls, with which COTA was able

to assist, FFF's programme continued with great success, working with 236 children and young people aged between 7 and 22 who are still in care, and with 11 young people in their residential programme for young people who have recently left care. In 2013, FFF aims to begin working with children in foster care and for the first time to provide structured non-residential support for young people, post-care.

In addition to directly supporting young people in Cali, a second crucial objective of the programme is to raise the profile of the rights and needs of care leavers throughout Colombia, and to get nationwide support for leaving care services from the state. In this respect, 2012 has seen some important developments.

FFF has been working closely with the care sector and Colombian Social Services (ICBF) to share their experiences and push for a structured government-funded support programme for care leavers, which would provide stability for their own services and ensure that these don't remain an isolated example of effective programmes for care-leavers in Colombia. In March COTA accompanied FFF to a meeting with the director of Regional ICBF, at which he proposed they apply to run a programme of pre-leaving care support for over 350 young people approaching the end of their childhoods in care. FFF did so, and at the end of 2012 were offered a contract to run the programme, in conjunction with Fundamor, another COTA partner. This will be the first time FFF will have received a government contract to run leaving care services, and as such is a recognition of the importance of their work, a welcome source of funding, and encouraging evidence that their persistent efforts to put leaving care onto the agenda of government are bearing fruit.

#### *Renacer: Preventing the Commercial Sexual Exploitation of Children*

2012 was the second year of COTA's five-year partnership agreement with Renacer to support their work to combat the problem of Commercial Sexual Exploitation of Children (CSEC) in Cartagena. Although the issue is gaining increased attention, much of the government's work on it has focussed on making legislative changes to make it easier to prosecute exploiters. While prosecution of offenders is an important part of the fight against the sexual exploitation of children, Renacer's work focusses on prevention with children, families, schools, and public officials themselves to ensure that all these groups can effectively prevent children becoming victims of CSEC.

Work with children and families continued to make excellent progress. 52 children and young people who are CSEC survivors or at high risk attended the project. During this year, the children participating have shown significant progress, reporting more regular attendance at school, an increase in their self esteem, and a greater understanding of factors that increase their risk of CSEC and how to protect themselves from these.

The factors which put children at risk from CSEC are numerous and can interact in complex ways, but evidence suggests that a child's relationships within the family can be very influential. For example, the extent to which risks are understood and discussed within the family, and the degree to which a child feels valued and protected at home, are key to helping them avoid risky situations and protect themselves from threats.

In 2012 Renacer worked with 48 family members of children in the project, and 155 community members. Raising families' awareness of CSEC is a key part of the family meetings, in which family members are empowered to act as protective adults, looking out not only for their own children, but all the children in their community. This makes the communities safer for children and reduces CSEC.

Renacer's work with schools and public servants – two groups who are key to prevention of CSEC – really took off this year. Schools can play a crucial role in helping prevent CSEC. For this reason, in 2012 Renacer developed an intensive Diploma course on Prevention of CSEC and Care of Victims of CSEC. 23 teachers studied this course in 2012 and nearly 1,800 attended awareness raising activities aimed at making them more able to identify and refer children who are at risk from CSEC.

In the baseline research that Renacer did at the beginning of this project, they found that the teachers expressed frustration at how few tools and resources they had to deal with the problems faced by the children attending their schools. Now, after receiving Renacer's training, the teachers have begun thinking about their duty to play a protective and preventive role and have realised that they do have the capacity to take action to protect the children in their schools from CSEC. One of the key elements of the Diploma is helping teachers identify victims and children at high risk of CSEC and set into motion a care pathway for them within the school context. Each of the teachers who studied the Diploma has now developed and will implement an action plan to do this in their schools. Two participating teachers have already identified 3 girls in their school who are at high risk of CSEC. These girls will participate in Renacer's project next year.

In the second half of the year, Renacer was able to launch their Diploma to Prevent Sexual Exploitation aimed at public officials, such as the police, health care providers, human rights ombudsman and public prosecutors. 19 public servants have been studying this Diploma. Because Renacer's baseline study showed a significant prejudice among this group

towards victims of CSEC, the starting point for the course was to challenge these prejudices by learning about the life stories of 5 victims of CSEC and reflecting on how these stories related to their pre-conceived prejudices and to the experiences of children who come into their offices seeking help. As a result of this, the public servants who attended project activities have significantly changed their attitudes – they now recognise the experiences of victims of CSEC, as well as recognising CSEC as a crime for which the victims are not culpable, and the care that they should and can offer to children and young people who seek their help. With the launch of this Diploma, Renacer is now able to forcefully tackle the problem of CSEC in all its complexity by working simultaneously with all the significant actors.

*HRBC: Improving quality of life, educational and social inclusion for children with disabilities*

Children with disabilities are among the most marginalised and socially excluded groups in Colombia. They are more likely to live in chronic poverty and suffer exclusion from services such as education.

In 2012 COTA continued to support our partner Fundación para La Habilitación y Rehabilitación Basada en Comunidad (HRBC) in helping children with disabilities, and their families, break down the barriers that exclude them from education and participation in all aspects of social life.

HRBC is an extraordinary organisation in that it remains very close to children and families while at the same time participating actively in policy-making at national level. On the one hand, it has been able to help make concrete improvements in the lives of individual children during 2012 - through working with children at their 'life skills centres' and through supporting inclusion in mainstream schools. On the other, it has helped improve policies and practices of educational institutions and others, thus helping to break down barriers to inclusion for children with disabilities in the long term.

HRBC runs four 'life skills centres', through which they worked with 183 children and 133 families during 2012. At the beginning of the year, 58 of the children on the project were enrolled in school. 57 of these remained in school during the year and at the end of the year 53 of them had re-enrolled for 2013. Over the course of the year, HRBC were able to identify a further 18 children who were able to move into the educational system, and secure places for 12 of them at local schools.

This is a great achievement for these children. 'Educational inclusion' is not just about overcoming barriers to enrolment in school. Meaningful 'inclusion' also requires that a child has the necessary support to remain in school and, of course, to receive a good quality education while they are there. By continuing to work at all levels, with families, schools and policymakers, to overcome the different barriers to inclusion that children face - whether they are negative attitudes, or lack of appropriate teacher training, or poor policy guidelines at a national level - HRBC is ensuring that the rights of children with disabilities are not neglected.

**Objective 2) To promote sustainable change for children by increasing support for work that provides long-term benefits for children in partner projects and, when possible, seeks to create further benefit for children outside the project and in the future**

All COTA partnerships aim to provide long-term benefits for the children involved. We also aim to support partners who strive to ensure that their work can benefit other children and organisations, both now and in future.

*Corpolatin: Preventing and raising awareness of violence against children*

Childhood can be scary – particularly so if you live in poverty and surrounded by the threat of violence. In 2012, COTA began working with a new partner, Corpolatin aim to make sure that no child in distress, experiencing violence, or simply in doubt about something at home or school, should ever be without help and a sympathetic ear.

Corpolatin was started in Cali in 2003, in order to provide a free telephone helpline service for children and young people at risk. The aim of the service is to listen to children, give them immediate help to get out of danger if needed, and help them access services that can ensure their healthy development in the future. Corpolatin also goes into schools and communities to help children and adults understand that children don't have to put up with fear or abuse and to ensure that they know how to get help, with Corpolatin's helpline as the starting point.

During 2012, Corpolatin held 136 intensive workshops to help children understand and assert their rights, understand what sort of behaviours constitute abuse, and to raise awareness of Corpolatin's "106" helpline. Corpolatin reached more than 6,000 further children at the same schools and institutions, by making 190 class visits to promote the helpline. Of the 8,423 Children/Young People (CYP) who Corpolatin reached, 823 (10%) went on to call the helpline, consulting with Corpolatin's psycho-social team on a range of subjects, including health, family relationships, school and friendships, violence and abuse, and drug and alcohol abuse, as well as seeking information about other services available to them.



Over the year, the Corpolatin helpline has dealt with 7,952 calls – around 20% more than anticipated. The number of calls the helpline actually received was higher still, but because Corpolatin only has 2 staff members working on the phone lines, even working at a level that was greater than their estimated capacity, they were unable to answer every call. During their promotion work, Corpolatin also heard from children who had called the line, but received an engaged tone, as all of the phone lines were in use. This demonstrates that there is a greater demand for the helpline than Corpolatin's capacity to respond. Although Corpolatin does currently not have sufficient funding to hire an additional psychologist, in 2013 they will be exploring other options, including the use of trained volunteers or university psychology students on placement.

Corpolatin also works closely with other agencies, such as social services and the police to ensure that the cases they refer to them are properly followed up and that all can share experience about improving the way they protect the children referred to them. During the year, 464 (6.3% of the total) high risk cases were referred to other agencies. These referrals reported dangerous or abusive situations experienced by at least 661 CYP between the ages of 4 and 14. In addition, 132 representatives of organisations working with children attended meetings of Corpolatin's 'Committee 106' in 2012. In these 'Committees' Corpolatin gathered together child protection professionals from state institutions and NGOs, encouraging intersectoral dialogue with the aim of identifying and agreeing on the main problems that face children and young people when they are seeking institutional support and care. This included looking at care pathways, competencies of different institutions, and barriers to access of services.

The demand for Corpolatin's service is clearly high – suggesting an unmet need that COTA is proud to be helping to meet. With Corpolatin's ability to work so effectively to bring together all the services that support children, it is having a significant impact both on the way that the cases of violence against children that come to its attention are dealt with and also on the way that other agencies deal with cases of violence against children in the future.

#### *Helping Families Protect their Children – Albergue Infantil Mama Yolanda (AIMY)*

AIMY works with former street children, helping them to recover from traumatic experiences on the street, return to education, be reunited with their families and regain their childhood.

COTA has been supporting AIMY's Family Reunification Programme since 2008. The programme confronts the risk that when children leave the care of AIMY's residential home and return to their families, the fundamental problems that led to them being on the streets in the first place may not have been resolved. The project provides intensive support to families before, during and after the child is returned home, to help ensure that families are able to cope and can provide a stable and safe environment for the child.

2012 saw the completion of the first full year of COTA and AIMY's partnership with Comic Relief to expand AIMY's already successful approach to family reunification to new groups of children and to share their learning with an even wider group of organisations working with children.

This year, AIMY has been working with children who had been on its own residential programme, as well as with children who attended day programmes for children at risk from harmful child labour. They have also been working with two other care homes for children at risk to help them implement AIMY's reunification model with the families of the children leaving their programmes.

AIMY's approach continues to be enormously helpful to families who would otherwise struggle to stay together. At the end of the first full year of the Comic Relief funded project, 95% of the children remained with their families without returning to an institution or life on the streets. (Some of these children have completed the post-institutional process and some remain in the process.)

AIMY has continued to share the lessons learnt from this project with Colombian Social Services (ICBF). The knowledge of key staff from ICBF staff about AIMY's successes has encouraged them to provide extra opportunities for AIMY to share their model. Indeed, calls to other institutions to trial AIMY's approach have been led by ICBF. For instance, in May ICBF brought together staff from all of ICBF's Bogota child protection centres, and several other care providers in Bogota to attend two meetings at which they presented AIMY's post institutional care approach and the results it had had to date. At least three of these institutions are now in talks to work with AIMY to trial their approach in coming years.

COTA strives to help organisations build on their successful work and share it with others, so that their approach can reach as many children as possible. In particular, we are always keen to ensure that state institutions, such as education and social services – who fund the bulk of care for children in Colombia and who have a duty to defend children's rights – can learn from our partners work and incorporate their insights and approaches more systematically into their own policy and practice.



AIMY continues to provide an excellent example of partnership that is not only having a lasting impact on the lives of the children participating in the project, but also on much wider policies and practice amongst many other children's organisations.

#### *ACJ: helping schools support children who work*

Between 2007-2011, COTA worked with ACJ on a five-year project, funded by the Big Lottery, to develop a flexible approach to education that enables working children to gain the skills they need to learn, and to access and flourish within the formal education sector. The project was a success and the educational model has the potential to benefit child workers across the country.

After this initial five-year partnership COTA agreed to provide further, shorter-term support to ACJ to begin the important work of sharing their educational approach with teachers and schools in the formal education sector, so that a greater number of vulnerable children can benefit. This work was begun successfully in 2011 and continued in 2012.

Despite some funding shortfalls, including in what COTA was able to provide, and some setbacks with staff leaving or falling ill, ACJ did manage to maintain good relationships with teachers in formal educational institutions, working with them to understand the needs of children at risk of exclusion from education. However it was not yet able to entrench the use of the model within these institutions.

ACJ and COTA agreed that ACJ was not yet ready to enter into another multi-year project agreement with COTA to expand the programme. The need instead was for consolidation of its existing work within schools and for a period of reflection on how best to manage the expansion of the programme. COTA will remain in close contact with ACJ over the coming year, and will explore the possibilities for a renewed partnership.

In addition to the partners described above, COTA continue to work in 2012 with the following existing partners:

- Asociación Mundos Hermanos, La Rayuela Project, Chinchiná: supporting vulnerable children from the coffee region to enter and remain in formal education
- Paz y Bien: working with children and young people at risk from gang violence and recruitment into armed groups in Cali
- Fundamor: Production of a guide to revealing and coming to terms with a diagnosis of HIV or AIDS for children and young people, and their carers.

#### **Objective 3) To contribute to strengthening the voluntary sector working with vulnerable children in Colombia**

A significant part of our work, and what differentiates us from many other UK based NGOs, is the extent and permanence of the support and accompaniment that we are able to offer to our partners, thanks to the presence of our two permanent field officers, based in Cali and Bogota.

#### **Field Office Technical Support**

In 2012, COTA's field officers in Bogota and Cali provided technical support on topics including child participation, monitoring and evaluation and fundraising, to ten partners and potential partner organisations. Highlights include the following:

Our partner Corpolatin works to prevent and raise awareness of violence and domestic abuse against children, by working directly with children, families and child protection institutions and providing a helpline for families and children at risk. Our field officer worked closely with Corpolatin on their strategy for increasing participation of children in the design of their activities, making sure that they are responsive to the wishes and needs of the most vulnerable. Benefitting from COTA's 20 years of accumulated experience in work with children, and in consultation with our trustee expert in child participation, this collaborative process resulted in 12 pilot participation sessions with 220 children. Children were invited to identify what they feel about Corpolatin's helpline, its website and its child rights promotion days. This resulted in a great deal of detailed information used to improve the organisation's services. This included discovering that the majority preferred their calls to be answered by a woman rather than a man, and not by an adolescent or a child, which was something Corpolatin were considering instituting; that bullying, sexuality and drugs were key subjects for the service to address, and that many children in need call several times before actually speaking on the phone – from this Corpolatin got greater insights into how to respond to silent calls.

COTA worked with partner HRBC - who support children with disabilities to access high-quality mainstream education – to improve their system for recording and analysing monitoring information, both on the implementation of project activities and on the impact this is having on children's life skills, access to education and general welfare. This has had a marked effect not only on HRBC's ability to report effectively to donors, but also on their ability to learn from their work and hence improve their programme.

During 2012 COTA also began a process of working jointly with several of its partners to present a large-scale funding application to the Colombian government's own aid programme. This is the first time COTA or any of our partners had worked with this agency and our field officer's capacity to draw together our disparate partners' work into a single application, and our ability to liaise directly with the agency has made significant government funding a real possibility. At the time of writing, we still await the outcome of this process.

### **Sharing learning, research and development**

COTA brought together members of its partner network and other organisations working with vulnerable children to take part in a workshop introducing the Restorative Justice methodology practised by our partner Paz y Bien who work with children and young people at risk from gang violence in Cali. Participants came away with new ideas for resolving conflicts within the communities in which they work, and with requests for support to implement the methodology with their own communities. A follow up workshop is planned for 2013.

One of the issues COTA continues to prioritise for research and for sharing learning with its partners is that of educational inclusion for vulnerable groups of children. COTA's field officer is an active participant in Valle del Cauca's sub-commission on inclusive education, a network of education professionals aimed at identifying challenges and best practice for inclusive education within the Valle region, in particular for the meaningful inclusion of children with disabilities into mainstream education. This enables COTA to keep up to date with the swiftly changing environment in this area, which is crucial for the fulfilment of the rights of vulnerable children.

The field office was also able to bring together several education practitioners and academics from Colombia and the UK for an international meeting to discuss the benefits of a guide to effective inclusion – the Index for Inclusion. This sort of accompaniment to bring international insight together with Colombian-context specific knowledge is one of the things that makes COTA's field office so valuable to our partners.

Our research into issues of Sexual and Reproductive Health has been quite intensive this year. This is a vital topic - each year there are approximately 6,500 pregnancies in children under 14 in Colombia; but it is also one that is largely neglected. In April, COTA's Field Officers, Executive Director and Project Development Coordinator met with various Colombian organisations working in this area, as well as senior officials from Colombia's Ministry of Health and the Defensoria del Pueblo, to discuss the need to address questions around sexual health and reproductive rights and to better understand how COTA might be able to support a partner and project working in this area.

Our project development process with the partner we identified as part of this research has been continuing throughout the year. Although we have not yet signed a partnership agreement with the organisation in question COTA has worked closely with them to design a project proposal which is in the final stages of approval.

During 2012, COTA identified a new partner, 'Tiempo de Juego', with whom we have been working to support the development of a project working in the 'Comuna 4' district of Soacha, Bogota – one of Colombia's poorest and most dangerous communities, where 70% have been displaced and 74.5% live below the poverty line.

Tiempo de Juego was established in 2006 when its founder started visiting the area to play football on a piece of waste ground with some of the young people he had met while researching gangs in the neighbourhood. Before long, crowds of young people were flocking to play every weekend, clamouring to do something positive, together. With the children and young people, the founder developed a way of playing centred around guiding principles (e.g. honesty, respect, tolerance, equality, commitment and team work), that could be taken forward in other areas of their lives and help protect them from the numerous risks they faced. The project that COTA and Tiempo de Juego have been working on will complement Tiempo de Juego's sports and schools programmes by offering a safe structured space for children and young people to develop activities in their half day outside school. Activities will be focused around drama and music – and used as a vehicle for them to explore their ideas, find their voice and engage and galvanise their families, local communities and the wider community in positive change. We have been able to secure funding for this project to begin in 2013.

As part of our drive to share learning in the UK, we collaborated with University College London and Oxford University's Poverty and Human Development Initiative on a well-attended forum to discuss the Colombian government's adoption of a multi-dimensional approach to measuring poverty.

## **Fundraising Objectives**

Objective 4) To raise significantly greater sums of money to support our partners in Colombia

Including the following specific outcomes:

- a. To raise sufficient funds to meet our project commitments

This was achieved, with the vast majority of our grants to partners coming from restricted funds specifically raised for that project.

- b. To raise sufficient general funds to cover the charity's running costs

This was very nearly achieved. Of our total expenditure of £296,926 of general funds, we managed to raise 93% in 2011, covering the rest of the expenditure from our unrestricted fund surplus carried over from 2010.

- c. To build and maintain relationships with corporate, trust and institutional donors in order to maximise restricted funds

This was achieved. We maintained very healthy funding relationships with several corporate donors, adding one very significant long-term partner (EMBL). We also achieved our first ever grant from Comic Relief.

- d. To build and maintain relationships with individual and major donors in order to maximise general funds

This was achieved. Our relationships with individual and major donors continues to blossom, with increasingly generous individual donations, despite hard times for all, and enormously energetic support displayed through support at our fundraising events and through our supporters own fundraising efforts.

## **Objectives for 2013**

COTA has come to the end of its current three-year strategy. The 2010-2012 strategy was written by staff in consultation with partner organisations and trustees. As a means of ensuring that COTA remained coherent and effective in its support to partners and as a guide to decision making it has been a great success. The strategy process represented a crystallisation of existing objectives and ways of working, rather than a blueprint for a change in priorities or a different approach. As such, and in the absence of an expressed wish from partners or COTA to change our overall direction, our programme and fundraising objectives will remain the same for 2013.

In 2013 COTA will begin a more systematic consultation process with partners based on a detailed questionnaire to obtain feedback on our effectiveness and relevance to our partners and to the children and families they support. This will be the starting point for a strategic review which will feed into a new strategy for 2014 and beyond.

## **Programme Objectives**

Objective 1) To address issues that are having a wide-spread impact on vulnerable children but are relatively neglected

Objective 2) To promote sustainable change for children by increasing support for work that provides long-term benefits for children in partner projects and, when possible, seeks to create further benefit for children outside the project and in the future

Objective 3) To contribute to strengthening the voluntary sector working with vulnerable children in Colombia

## **Fundraising Objectives**

Objective 4) To raise significantly greater sums of money to support our partners in Colombia

Including the following specific outcomes:

- a. To raise sufficient funds to meet our project commitments

- b. To raise sufficient general funds to cover the charity's running costs

- c. To build and maintain relationships with corporate, trust and institutional donors in order to maximise restricted funds

- d. To build and maintain relationships with individual and major donors in order to maximise general funds

## Grant making policy

COTA makes grants to partner organisations in Colombia. Project proposals are subject to approval by the Executive Director and the trustees to ensure the work is in line with our strategic objectives. All projects are subject to a monitoring process and the payment of grants is subject to satisfactory monitoring reports being received.

## Voluntary Help

Children of the Andes is supported by a number of volunteers who provide invaluable administrative and fundraising assistance and the Board wish to express their gratitude to all of those who have helped COTA develop its activities through their voluntary assistance.

## Financial review

Matters disclosed by virtue of the requirements of the Companies Act 2006 in the financial statements themselves are not necessarily further referred to hereunder. A Statement of Financial Activities can be found on page 18 and from this it can be seen that the overall surplus for the financial period ended 31st December 2012 was £ 11,189. The total amount of funds available to the charity at 31<sup>st</sup> December 2012 was £ 268,808 of which £ 146,491 was restricted and £ 122,317 was unrestricted.

## FINANCE REPORT

During the year ending 31st December 2012 COTA raised £ 660,598 (year ending 31st December 2011 - £ 727,032), which was a decrease of 9% compared to the year ending 31<sup>st</sup> December 2011. In addition, COTA has already secured pledged funding for 2013 valued at almost £ 203,951 (2011 for 2012 – £ 227,880). These donations will be realised in the 2013 accounts upon actual receipt of the funds.

In line with our financial strategy, COTA continues to raise funds from a balanced mix of income streams including trusts and foundations, institutional funding, individuals and corporate donors. Institutional funding (Comic Relief) was £128,109 (year ending 31st December 2011 - £155,220 (Big Lottery & Comic Relief)) and trusts & foundations excluding the Big Lottery and Comic Relief was £ 185,564 (year ending 31<sup>st</sup> December 2011 - £ 263,055) - an decrease for income from large trusts and foundations of 40% but an increase of 13% from smaller trusts. An encouraging increase of 25% was seen in corporate donations rising from £135,783 in 2011 to £170,140 in 2012.

Income from individuals (excluding legacy income) has remained similar to 2011 but a rise of 67% has been seen in income from community individuals & community events. The two newsletters continue to raise over £10,000 and standing orders which are so important to us also remain constant, generating £53,645 in 2012 ( £52,799 in 2011). We never cease to be moved by the loyalty and generosity of our supporters and are deeply appreciative of the personal investment they make in the future of Colombia's most vulnerable children.

Under the heading Colombian Project Support this year we invested £ 329,278 (year ending 31st December 2011 – £ 399,638) in direct grants to our partners. £ 5,900 of these grants came from general funds (year ending 31st December 2011 – £ 4,809). A further £201,139 (year ending 31st December 2011 – £ 169,585) was spent on project support through accompaniment and capacity building.

Governance costs £ 16,957 (year ending 31st December 2011 - £ 17,779) represent only 3% of total expenditure and costs for activities generating voluntary income decreased on the previous financial year to £ 102,035 (year ending 31st December 2011 - £ 104,753). Consequently once again, only 18p (year ending 31<sup>st</sup> December 2011 - 18p) in every £ spent was for costs associated with generating funds and governance while the remaining 82p (year ending 31<sup>st</sup> December 2011 - 82p) was used for direct grants and project support.

COTA finished 2012 with an overall £11,189 surplus across both restricted and unrestricted funds. However, the unrestricted fund balance decreased by £ 45,582 to £ 122,317 which was below the balance required by our Reserve Policy (page 14) to cover approximately six months running costs. The deficit in unrestricted funds was in line with the 2012 budget in which the use of unrestricted reserves to maintain our high level of commitment to our work was agreed by the Board. The restricted fund balance has increased by £ 56,771 to £ 146,491. Restricted funds brought forward will be passed onto project partners in 2013 & unrestricted funds will be held in accordance with COTA's Reserves policy.

In the difficult financial times ahead, COTA will continue to monitor its financial position closely. COTA's well-established system of monthly management accounts, regular budget v actual reporting and rolling twelve month cash flow forecasts monitor the longer term position and analytical reviews of historical data identify significant variations well in advance. These reports are reviewed across the organisation at regular meetings with the staff and trustees.

## **Finance and Administration Objectives**

- To ensure the organisation is working as effectively as possible and meeting all its legal obligations

## **Legal details**

Children of the Andes (COTA) is an international non-governmental organisation created as a charitable legal entity in the United Kingdom and a company limited by guarantee. The Company was formed on 12 March 1999, was then registered under no: 1075037 with the Charity Commission on April 9 1999 and took over the activities of a predecessor non-incorporated charity on 6 June 1999. The members of the Company consist of the trustees. A list of the current trustees can be found on page 3, together with a note of professional advisors.

## **Organisational and decision making structure**

COTA is managed by an Executive Director, (who is also the Company Secretary) and assisted by a Deputy Director. This senior management team is assisted by two Fundraisers, one part time Finance Manager and one Finance and Fundraising Assistant in the UK. There are a further three staff in Colombia; two Field Officers and one part time Admin Assistant.

The trustees hold at least four meetings per year to, inter alia, receive and consider reports from the Executive Director, review the financial situation and monitor the achievement of the social objectives of the Charity.

The Chairman holds monthly meetings with the Executive Director and the staff to review progress. The Honorary Treasurer holds regular meetings with the Executive Director and Finance Manager to analyse monthly results and prepare documents for the following board meeting.

### *Systems of Internal Control*

There is an organisational structure of delegation with lines of responsibility for control and procedures for reporting decisions, actions and issues.

The board approves and monitors the annual budget and income projections.

No remuneration or benefits have been paid or are payable in respect of the trustees. No material related party transactions occurred in the year.

## **Method of appointment or election of Chair and Trustees**

### *Chair*

A selection committee of trustees is appointed. When a vacancy for Chair becomes available, existing trustees may express an interest in the role, external candidates may be recommended or self-referred and the post is also advertised externally. Interested parties meet the Executive Director who explains the work of COTA and the duties and responsibilities of the Chair. A panel, chaired by the head of the selection committee, then interviews candidates with the Executive Director sitting as an observer.

### *Trustees*

When a vacancy in the ten-person board of trustees arises, nominations may be made by staff, other trustees (including the Chair), or may be self-referred. The post is advertised externally. The potential trustee receives an information pack and submits an application. If they meet the criteria for new trustees, they visit COTA and meet the Executive Director and staff and, following this, meet the Chair of trustees or another trustee. Finally, the candidate attends a trustee meeting as an observer, and, after consideration by the Board, an invitation may be made to the candidate to become a trustee of COTA.

The Board and Executive Director conduct a regular skills audit of the board of trustees to assess the fit of the board with the organisation's current strategic objectives. Vacancies in the board may arise as a result of an existing trustee stepping down by mutual agreement in order to enable the appropriate skills and experience to be represented on the board, or if a trustee is not re-elected after the standard three-year tenure period.

## **Responsibilities of the Trustees**

The trustees who are also the directors of Children of the Andes for the purpose of company law, are responsible for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

## **Risk Management**

The trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. The regular meetings between the Honorary Treasurer and staff as well as the meetings between the Chairman and Executive Director are a key component of the risk management framework. During these meetings risks faced by the charity are carefully analysed and, if required, checks introduced. The trustees are satisfied that systems are in place to mitigate the risks identified.

Risks that have been identified, are being monitored and for which checks have been put in place include: 1) Reduction in income due to economic down-turn 2) Misuse of funds by partners 3) COTA unable to identify suitable project partners 3) COTA unable to raise sufficient funds 4) Loss of key staff/failure to recruit suitable staff 5) Foreign currency exchange losses 6) Loss or damage to IT data 7) Exposure to unethical funding sources 8) Staff caught up in violence/kidnap/terrorism 9) Failure to comply with UK and Colombian regulatory obligations – in particular breach of data protection legislation 10) Child harmed accidentally or deliberately as a result of COTA's work 11) Physical destruction of office and files 12) Failure to report adequately to donors.

## **Statement of policies**

### **Reserve policy**

The trustees' reserve policy is to aim to ensure that COTA maintains sufficient general fund reserves equivalent to approximately six months running costs in order to reflect legal and fiduciary obligations for the continued "normal" existence of the charity followed by an "orderly" curtailment of activities if necessary. In the budget for 2013, the annual running costs average at £ 26K per month. At the 31st December 2012, we are holding a free reserve of £122,317 (at 31<sup>st</sup> December 2011 - £ 167,899). As the trustees consider a six month reserve to be very prudent given the broad donor base, the trustees may exceptionally approve the temporary reduction in the general fund reserves to enable a continuity of support to our partners on the understanding that the general funds reserve be replenished as soon as possible.

### **Equal opportunities policy**

COTA is committed to operating an equal opportunities policy in all aspects of its work.

### **Investment Policy**

COTA is effectively a steward of funds donated, and therefore considers it appropriate to minimise risk when investing these funds. To this end, surplus funds are invested in interest bearing savings accounts with reputable UK banks and institutions. In order to minimise risks from bank failure, our policy is to hold no more than £85K in any one bank.

**Public Benefit Statement**

The trustees have a duty to report on how the activities of the charity deliver public benefit. The sections of this Report above entitled "Principal Activities and Aims" and "Objectives" set out the charity's objectives on the activity and success in the year to the 31 December 2012 in delivering public benefit.

**Disclosure of information to auditors**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

**Auditors**

A resolution proposing that H.W. Fisher & company Limited be reappointed as auditors of the company will be put to the Annual General Meeting.

Approved on behalf of the Board of Trustees

A handwritten signature in blue ink, appearing to read 'D Maxwell Scott', is written over a faint, larger blue signature.

David Maxwell Scott  
Former Chairman of the Board of Trustees

18 July 2013



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILDREN OF THE ANDES

We have audited the accounts of Children of the Andes for the year ended 31 December 2012 set out on pages 16 to 27. 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).

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 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement on page 12, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on accounts**

In our opinion:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2012, and of its incoming resources and application of resources, including its income and expenditure, for
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE MEMBERS OF CHILDREN OF THE ANDE  
**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.

*HW Fisher + Company*

**Andrew Rich (Senior Statutory Auditor)**  
**for and on behalf of H W Fisher & Company**

**Chartered Accountants**

**Statutory Auditor**

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

Dated: *23/8/13*

**STATEMENT OF FINANCIAL ACTIVITIES**  
**For the year 1st January 2012 to 31st December 2012**

		Unrestricted Income funds	Restricted Income funds	Year ended 31/12/2012	Year ended 31/12/2011
	Note	£	£	£	£
<b>Incoming Resources</b>	<b>2</b>				
Incoming resources from generated funds					
Voluntary income		175,111	129,623	304,734	280,601
Activities for generating funds		41,172	437	41,609	27,546
Investment income		582	0	582	613
Incoming Resources from charitable activities		20,100	293,573	313,673	418,272
<b>Total Incoming Resources</b>		<b>236,965</b>	<b>423,633</b>	<b>660,598</b>	<b>727,032</b>
<b>Resources Expended</b>	<b>3</b>				
Cost of Generating Funds					
Cost of generating voluntary income		102,035	0	102,035	104,753
Net Incoming Resources Available		134,930	423,633	558,653	622,279
Charitable Activities					
Colombian Project Support		207,039	323,378	530,417	569,223
Governance Costs		16,957	0	16,957	17,779
Total Charitable Expenditure		223,996	323,378	547,374	587,002
<b>Total Resources Expended</b>		<b>326,031</b>	<b>323,378</b>	<b>649,409</b>	<b>691,755</b>
Net Incoming/(Outgoing) Resources before transfers		(89,066)	100,255	11,189	35,277
Gross Transfers Between Funds	12	43,484	(43,484)		
Net Income/(Expenditure) for the Period/ Net Movement in Funds		(45,582)	56,771	11,189	35,277
Fund Balances at 31 <sup>st</sup> December 2011		167,899	89,720	257,619	222,342
Fund Balances at 31 <sup>st</sup> December 2012	11 & 12	122,317	146,491	268,808	257,619

The Statement of Financial Activities includes all gains and losses and complies with the requirements of an income and expenditure account under the Companies Act 2006.

## BALANCE SHEET

As at 31st December 2012

		31 <sup>st</sup> December 2012	31 <sup>st</sup> December 2011
	Note	£	£
TANGIBLE FIXED ASSETS	6	2,308	1,550
CURRENT ASSETS			
Debtors and prepayments	7	5,794	19,449
Stock	5	1,810	1,305
Cash at bank and in hand		273,018	293,127
		<u>280,622</u>	<u>313,881</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	<u>14,122</u>	<u>57,812</u>
NET CURRENT ASSETS		<u>266,500</u>	<u>256,069</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>268,808</u>	<u>257,619</u>
RESERVES AND FUNDS			
Unrestricted funds (Reserves)	10	122,317	167,899
Restricted income funds	12	<u>146,491</u>	<u>89,720</u>
		<u>268,808</u>	<u>257,619</u>

The financial statements were approved by the Trustees on 18 July

2013 and signed on their behalf by:



David Maxwell Scott  
Former Chairman of the Board of Trustees  
Children of the Andes



Kate Saunders  
Treasurer  
Children of the Andes

## NOTES TO THE ACCOUNTS

For the year 1st January 2012 to 31st December 2012

### Note 1

#### Accounting Policies

##### A) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005. The charitable company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

##### B) INCOME

Income from tax recoverable through Gift Aid is separately identified in the accounts. Income from donors is not recognised unless and until it is receivable. Income from collections is included when received at the offices of the charity. Donations and grants receivable are included when receivable, unless conditions are attached which specify their application to later periods. Such income would then be carried forward as income received in advance. Donations of labour are only recognised if material in terms of the financial costs to the donor. Grants made direct to non-governmental organisations, where raising of the funds was facilitated by Children of the Andes, are included both in incoming resources and resources expended. Legacies are included in income upon receipt of funds.

##### C) EXPENDITURE

Expenditure is included in the accounts inclusive of non-recoverable VAT. Expenditure has been allocated between Fundraising, Colombian Project Support and Governance costs, based on estimates by the management team where necessary. Grants made by the charity are recognised upon authorisation or when the appropriate funds are available, whichever is later.

##### *Fundraising Costs*

These include the salaries, direct expenditure and overhead costs of staff in the UK who provide fundraising.

##### *Colombian Project Support*

These represent grants sent directly to our project partners, as well as the cost of UK based staff and their overheads, directly providing support for the international programme including management, monitoring and technical support. It also includes the cost of three staff members in Colombia and their overheads.

##### *Governance*

These costs are incurred in administering the Charity and complying with constitutional and statutory requirements. These are Executive Director responsibilities.

##### D) DEPRECIATION OF TANGIBLE FIXED AND OTHER ASSETS

Tangible fixed and other assets are stated at cost less accumulated depreciation and are depreciated on a straight line basis over their estimated useful lives at the following rates: Computer equipment over 3 years (tangible fixed). Donations of tangible assets are only recognised in the accounts if their market value at the date of the donation is material.

##### E) FOREIGN EXCHANGE

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of transactions. All differences are taken to the accumulated fund in the year.

##### F) FUNDS

Restricted Income Funds are those which may only be applied to the purposes specified by the obligations of such funds.

##### G) STOCK

Stock is stated at the lower of cost and net realisable value and consists of the cost value of the remaining stock of greetings cards and T-shirts.

##### H) COMMITMENTS UNDER OPERATING LEASES

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

**Note 2**  
**Incoming Resources**

	Unrestricted Income funds	Restricted Income funds	Total Income Funds Year ended 31/12/2012	Total Income Funds Year ended 31/12/2011
	£	£	£	£
<b>Grants receivable</b>				
Anonymous Donors	0	30,945	30,945	33,619
Ashworth Charitable Trust	0	4,000	4,000	0
Bay Tree Charitable Trust	5,000	0	5,000	0
Big Lottery Fund	0	0	0	19,350
Comic Relief	0	128,109	128,109	135,870
Evan Cornish Trust	0	5,000	5,000	0
Gemini Foundation	0	4,000	4,000	3,000
Haramead Trust	0	0	0	10,000
Jersey Overseas Aid Commission	0	53,441	53,441	83,140
Maurice & Hilda Laing Charitable Trust	0	0	0	5,000
The Madeline Mabey Trust	2,850	0	2,850	5,000
Open Gate Trust	0	3,000	3,000	3,000
The Rowan Charitable Trust	0	0	0	5,000
The Rufford Foundation	0	3,000	3,000	0
Stanley Thomas Johnson	0	16,533	16,533	0
Souter Charitable Trust	0	6,000	6,000	6,000
Vitol Charitable Foundation	0	25,695	25,695	87,443
Other Grants received (under £3,000)	12,250	13,850	26,100	21,850
	<u>20,100</u>	<u>293,573</u>	<u>313,673</u>	<u>418,272</u>
<b>Voluntary Income</b>				
Individual Donations	48,782	4,509	53,291	52,761
Legacies	7,294	3,346	10,640	19,829
Standing orders and covenants	51,901	1,744	53,645	52,799
Gift Aid relief	15,914	1,104	17,018	18,955
Other income	0	0	0	474
	<u>123,891</u>	<u>10,703</u>	<u>134,594</u>	<u>144,818</u>
<b>Corporate Donations</b>				
All Corporate Donations received	<u>51,220</u>	<u>118,920</u>	<u>170,140</u>	<u>135,783</u>
	<u>51,220</u>	<u>118,920</u>	<u>170,140</u>	<u>135,783</u>
<b>Activities for generating funds</b>				
Community Fundraising	32,523	437	32,960	19,667
Events	<u>8,649</u>	<u>0</u>	<u>8,649</u>	<u>7,879</u>
	<u>41,172</u>	<u>437</u>	<u>41,609</u>	<u>27,546</u>
<b>Investment Income</b>	582	0	582	613
<b>Total Incoming Resources</b>	<u><u>236,965</u></u>	<u><u>423,633</u></u>	<u><u>660,598</u></u>	<u><u>727,032</u></u>

**Note 3****Total Resources Expended**

	Note	Staff Costs		Non-Staff Costs		Dep'n	2012	2011
		UK	Colombia	UK	Colombia			
Costs of Generating Funds		£				£	£	£
<b>Costs of generating voluntary income</b>								
Raising Funds		73,602		25,505		556	99,663	103,078
Event Costs				2,372			2,372	1,675
		73,602	0	27,877	0	556	102,035	104,753
<b>Cost of Charitable Activities</b>								
Colombian Project Support		91,063	65,124	22,934	19,448	785	199,354	166,733
Grants to Partners	12,13				329,278		329,278	399,638
Losses on Exchange				1,785			1,785	2,852
		91,063	65,124	24,719	348,726	785	530,417	569,223
<b>Governance</b>								
		12,392		4,565			16,957	17,779
		12,392	0	4,565	0	0	16,957	17,779
Total Resources Expended		<b>177,057</b>	<b>65,124</b>	<b>57,161</b>	<b>348,726</b>	<b>1,341</b>	<b>649,409</b>	<b>691,754</b>

- Raising funds (Non-Staff Costs) includes premises costs, office costs and cost of publications and mailings.
- Activities undertaken directly for Colombian Project Support (Non-Staff Costs) include premises costs, office costs and costs of project monitoring and trips to Colombia.
- Governance includes audit and legal expenses and strategic planning costs

**Note 4****Auditors' Remuneration**

	At 31 <sup>st</sup> Dec 2012	At 31 <sup>st</sup> Dec 2011
	£	£
Audit	3,360	4,000
(Over)/Under Provision for previous year audit fee	(160)	(100)
	<u>3,200</u>	<u>3,900</u>

**Note 5****Stock**

Stock - T-Shirts	Number	Value	Loss
		£	£
Opening Stock Balance	99	632	
Purchases	250	1,013	
Sales	(2)	(9)	1
T-Shirts supplied to supporter/staff	(129)	(609)	(609)
Remaining Stock	<u>218</u>	<u>1,027</u>	<u>(608)</u>
Stock - Jewellery		Value	Profit
		£	£
Opening Stock Balance		673	
Purchases		923	
Cost of Jewellery sold		(813)	728
Remaining Jewellery Stock		<u>783</u>	<u>728</u>
Total Jewellery & T Shirt Stock Value		<u>1,810</u>	



**Note 6**  
**Tangible Fixed Assets**

Costs	Office Equipment £
Balance at 31 December 2011	5,878
Additions	2,099
Disposals	
Balance at 31 December 2012	<u>7,977</u>
Depreciation	
Depreciation brought forward	4,328
On disposals	
Charge for the period	1,341
Depreciation carried forward	<u>5,669</u>
Net book value at 31 December 2012	<u>2,308</u>
Net book value at 31 December 2011	<u>1,550</u>

**Note 7**

Debtors	31st Dec 2012 £	31st Dec 2011 £
Other Debtors	3,753	12,243
Prepayments	2,041	7,206
	<u>5,794</u>	<u>19,449</u>

**Note 8**

Creditors	31st Dec 2012 £	31st Dec 2011 £
Trade Creditors	78	3,901
Credit Card	349	56
Other taxes & social security	8,962	9,000
Accruals	4,733	5,041
Deferred Income	<u>0</u>	<u>39,814</u>
	<u>14,122</u>	<u>57,812</u>

Deferred income represents income received in a year for the use of Project Partners the following year e.g. in 2011 £39,814 was received for 2012 projects

**Note 9**  
**Employees**

31<sup>st</sup> Dec 2012  
Number

31<sup>st</sup> Dec 2011  
Number

The average number of employees during the year was  
5.8 Office Staff & 2 Field Officers:

Engaged in Colombian Project Support	5.10	4.90
Engaged in Fundraising	2.40	2.50
Engaged in Administration	0.30	0.40
	<u>7.80</u>	<u>7.80</u>

Employment costs	31st Dec 2012 £	31st Dec 2011 £
Wages & Salaries	210,470	184,568
Social Security Costs	29,115	31,090
Pension Costs	2,597	1,406
	<u>242,182</u>	<u>217,064</u>

The increase in Salaries is the result of reduced costs in 2011 due to staff changes & maternity leave. There were no employees earning over £60,000 per annum (31<sup>st</sup> December 2011 – none).

**Trustees' Emoluments**

No trustees received, nor is due to receive, any emoluments for the year (31<sup>st</sup> December 2011 – none).

Trustees were reimbursed for expenses incurred £205 (31<sup>st</sup> December 2011 – £112).

Annual Trustees' liability insurance was purchased for £1,041 (31<sup>st</sup> December 2011 - £979).

**Note 10**

**Analysis of Net Assets  
Between Funds**

	Unrestricted Funds £	Restricted Income Funds £	Total Funds £
Tangible fixed assets	2,308	0	2,308
Current assets	134,131	146,491	280,622
Liabilities due within one year	(14,122)	0	(14,122)
	<u>122,317</u>	<u>146,491</u>	<u>268,808</u>

**Note 11**

**Grants Payable from Unrestricted Funds to  
organisations in Colombia**

	31 <sup>st</sup> December 2012 £	31 <sup>st</sup> December 2011 £
ACJ	5,900	
Colombo-Britanica	0	517
Formacion d'Futuro	0	2,170
Formemos	0	1,984
HRBC	0	138
Total	<u>5,900</u>	<u>4,809</u>

## Note 12

### Restricted Income Funds

Donations, grants and other incoming funds contributed specifically for individual projects are credited to restricted income funds, where these funds were received with donor-imposed conditions at the point of receipt.

Restricted Funds	Balance as at 1st January 2012	Restricted Donations & Grants Received	Grants to Partners in Colombia from Restricted Funds	Transfers	Balance as at 31st December 2012
ACJ	0	24,767	(22,957)	(1,810) *	0
Albuerque Infantil - Add Needs	334	9,250	(8,865)	(719) *	0
Albuerque Infantil - Post Inst Care	0	22,577	(20,332)	(2,245) *	0
Albuerque Infantil - Comic Relief	85,331	128,109	(71,464)	(13,867) **	128,109
Corpolatin	0	53,441	(48,583)	(4,858) *	0
Formacion d'Futuro	1	30,052	(26,864)	(3,188) *	1
FFF Own Funds	60	9,797	(9,422)	0 *	435
Fundamor	826	16,533	(14,467)	(2,892) *	0
HRBC	0	28,915	(20,459)	(3,238) *	5,218
Mundos Hermanos - La Rayuela	1,109	14,824	(13,880)	(1,933) *	120
Paz y Bien	0	22,034	(17,244)	(2,182) *	2,608
Renacer	2,059	51,834	(48,841)	(5,052) *	0
Tiempo de Juego	0	11,500	0	(1,500) *	10,000
	<u>89,720</u>	<u>423,633</u>	<u>(323,378)</u>	<u>(43,484)</u>	<u>146,491</u>
Grants from Restricted Funds				323,378	
Grants from Unrestricted Funds (Note 11)				5,900	
<b>Total Grants to Colombia</b>				<u>329,278</u>	

\* Funds transferred to general funds for project support which is an agreed contribution by the trust donors to the general running costs of the charity.

\*\* Funds transferred to general funds for specific project budget costs ( in UK & Colombia)

Note 12 cont./...

Children of the Andes supports the following institutions through grants:

Partner Organisations	Project Name	Project Description
Albergue Infantil	Provision of direct services to street children through preventative intervention, residential care, family support, healthcare, psychosocial care, education and vocational training	Supporting work to improve the conditions for the successful reintegration of children and adolescents into their family group after leaving the Albergue Infantil Mama Yolanda; also funding a social worker for the Albergue's residential programme.
Asociación Cristiana de Jovenes (ACJ) - Cali	Supporting disadvantaged children and young people through the use and development of innovative pedagogical strategies that encourage participation and self-motivation	Supporting the educational work of ACJ with street and working children in Cali
Corpolatin	Child Helpline and Outreach support	Supporting the operation of a free Child Helpline (including email, chat and mobile phone access) and outreach workshops in schools, offering vulnerable children and their families an opportunity to express themselves and to seek help, and to have risk situations reduced immediately or prevented.
Formación d' Futuros	Developing a programme of leaving-care support for vulnerable young care-leavers in Cali	Supporting the ongoing development of the leaving care programme, including the provision of leaving care support to other care providers and promotion of leaving care services regionally and nationally
Fundamor Foundation	Preparation for Life Leaving Care Programme	Programme for children at Fundamor aged between 8 and 18, running a range of age-appropriate activities to prepare children for life as independent adults when they will need to look after themselves, including their own health and emotional
	Revealing and explaining to children their HIV status	Production of a flexible learning guide which can be used by parents, carers, staff at homes aiming to encourage adults to help children come to terms with their HIV status.
HRBC Foundation	Promoting the social inclusion of vulnerable children with disabilities and their families.	Supporting the costs of a comprehensive strategy for involving people with disabilities in the development of their communities, including support for families caring for children with disabilities and education work aimed at including children in formal schooling.

Mundos Hermanos - La Rayuela	Protection, education and vocational training for 250 vulnerable and street-involved children in the coffee-region	Supporting the overall operational costs of the project (salaries, educational resources, vocational training and nutrition)
Paz y Bien	Bringing together young people and the local community to tackle gang violence and social exclusion, through education, emotional support, life skills training, recreation and restorative justice.	Support for the costs of two project centres, including tutors salaries and educational materials
Renacer	Working to prevent the commercial sexual exploitation of children and to provide support and protection to child victims of sexual exploitation	Support in developing a campaign that will address commercial sexual exploitation of children (CSEC) from within Cartagena's most marginalised communities. Raising awareness of the damage CSEC causes and promoting steps that can be taken by children, families and the community to reduce the risks.
Tiempo de Juego	Building a positive future for children and young people at risk of gang-related violence and crime	Using sport, drama and music to help children and young people develop knowledge and skills to keep safe from violence and exploitation, and to become active agents for change in their community.

### Note 13

#### Commitments under Operating Leases

At 31<sup>st</sup> December 2012 the company had annual commitments under operating leases as follows:

	Land and Buildings	
	2012	2011
	£	£
Expiry Date:		
Between one and five years	22,551	21,607
Greater than five years	0	0
	<u>22,551</u>	<u>21,607</u>

